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SHOP UNIONS IN THE UNITED STATES  
DURING THE WORLD WAR

Mary Smith  
1929

SHOP UNIONS IN THE UNITED  
STATES DURING THE WORLD WAR

by

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## FOREWORD

This study was begun several years ago, under the direction of Professor Herbert Feis, now at the University of Cincinnati, at the suggestion of the late Professor A. J. Boynton. With the assistance of Professor Feis, a survey of plants known to have had shop unions in operation was made. This resulted in the acquisition of a large amount of interesting and source material, only a small part of which is used in this study. Cutting out a segment from the mass of material to use as a basis for this study proved a difficult and exacting job. For many reasons, it seemed best to select the years of the World War, when government labor adjustment agencies were establishing shop unions, for this particular study. "Shop Unions in the United States during the World War" was finished under the direction of Dean Frank T. Stockton of the School of Business, who is also chairman of the department of economics.

The writer is indebted to a great many persons for help in the preparation of this study, first of all to Professor Feis for his interest and assistance and to Dean Stockton, under whose direction it was finished, after unfortunate and unavoidable delays; also to Professor Jens P. Jensen for reading manuscript.

Although certain books and magazine articles on the shop union movement were of great value in the preparation of this study, the most important material was gained from government documents and from the concerns which have employe representation plans in operation or had experience with that type of worker organization. Company officials, including industrial relations directors and employment managers, answered questions at great length and furnished the writer with much material which has not been published. Employe representatives of certain concerns, especially local and district officers of the Association Western Union Employees in Kansas City, Mo., were also most helpful.

Trade union officials, particularly certain ones in Kansas City, and the editors of trade union journals also furnished a great deal of pertinent information.

The Hon. James G. Strong, representative from the fifth Kansas congressional district, obtained for the writer many copies of government documents which were not for general distribution and were not then in the University library.

Lawrence, Kansas.  
September 20, 1929.

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SHOP UNIONS IN THE UNITED STATES  
DURING THE WORLD WAR

Introduction

The organization of employees in industrial concerns, large and small, with one company as the unit of organization and no affiliation with national trade unions has become, since 1917, one of the most wide-spread tendencies in industrial relations in the United States. In the most recent study of such employee organizations, published by the National Industrial Conference Board in 1925, 212 firms are listed as handling industrial relations by means of some such type of employee organization.<sup>1</sup> Among firms listed are many in the basic industries, such as the Colorado Fuel and Iron Company, the Bethlehem and certain other independent steel companies, the Standard Oil Company of Indiana and also of New Jersey, the Shell Oil Company of California, the "Big Five" in the packing industry, and certain railroads.

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1. National Industrial Conference Board, Inc., The Growth of Works Councils in the United States, a Statistical Summary. Special Report No. 32, p. 1.

An adequate definition of this type of labor organization is difficult to find. It is referred to as a shop union, employe representation or industrial representation plan, industrial democracy, works or industrial council, shop committee or company union. "Shop union" and "employe representation plan" will be used interchangeably as the most satisfactory names for the organizations considered in this study. The term "company union," altho used generally by some students of the movement, should be used as descriptive of a certain type of plan.

Shop unionism is perhaps the more descriptive term. It implies sufficient organization of employes under a single management to permit selection of representatives to meet with the employer or his representatives for the consideration of questions of mutual interest, extending beyond welfare or benefit activities. The National Industrial Conference Board definition is as follows:

"The expression works council is used as a common designation of all forms of employe representation under which the employes of an individual establishment, through representatives chosen by and from among themselves, cooperate through conference in the consideration of employment conditions in that establishment.<sup>1</sup>

Shop unionism, however, has some features in common with national trade unionism, including structure in some instances and method and purpose to a certain degree. But differences are clearly marked. The Webbs' famous definition of a trade

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1. Same.

union as a continuous association of wage earners for the purpose of maintaining and improving the conditions of the workers' lives implies organization by workers, which condition is not often true of shop unions.<sup>1</sup> Shop unions, in almost every case, have been organized directly by the employer or at his instance. They are not affiliated with national trade unions, have no connection with them and consider the worker, not as a member of a class or craft, but as an employe of a single concern.

The goal of the trade union is the national trade agreement between officers of the national union and representatives of employers in the entire industry.<sup>2</sup> The shop union movement, to quote a recent study of shop committees in the United States, rests on the assumption that the normal economic relationship of labor and capital is in the individual factory; that industrial government should function within the productive units rather than between national organizations of these units.<sup>3</sup>

Even with the broadest possible definition, it is almost impossible to cover all the systems of shop representation installed by companies listed as having such plans in operation.

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1. Webb, Sidney and Beatrice, History of Trade Unionism, p. 1.

2. Hoxie, Frank R., Trade Unionism in the United States p. 256.

3. French, C.E., The Shop Committee in the United States, Johns Hopkins Studies No. 41, p. 11.

The plans vary widely in structure and function, features with which this study is not concerned, except as both reflect upon the origin of the plan. Brief mention of such variations, however, might be useful. In structure, the plans range from an informal committee of a few members, elected irregularly to meet with the management, to the complicated joint committee system of the Bethlehem Steel Corporation.

Representation  
of  
Employees  
in  
Plants  
of the  
Bethlehem  
Steel  
Corporation

October, 1918

Another example of complicated structure is the company union of the Western Union Telegraph Company which has local, district, and national divisions and well-worked out procedure. (The distinguishing mark of the company union lies in the association of workers, which transacts business independently of the management, except when joint meetings are called, much as in the case of the trade union local.)

The term "industrial democracy" is current in employe representation literature. It can be taken as one of those American slogans which attract attention but one which has little meaning for industry in the sense that political democracy has for the United States government. The type of shop union designated as an "industrial democracy" is usually one installed by a commercial agency and is patterned on the organization of the United States government. All final decisions in such plans are made by the management.

None of the plans in operation can be called a genuine industrial democracy in the sense that employes participate in the actual management of the business on equal terms with owners and managers. The most advanced systems of employe representation are in operation in the department store of William A. Filene's Sons Company in Boston and in the Dutchess Bleachery at Wappingers Falls, N.Y., in the writer's opinion. In these concerns and a few others employes have a representative on the board of directors and their suggestions seem to have considerable weight.



As to function, the plans may result in merely "advisory" committees, which are intended to convey employees' opinions to the management, or group sessions such as those of the White Motor Company, where various features of the business are explained to the employees but no action taken. In the case of the Western Union, however, one finds a company union which meets employers to bargain collectively on probably as nearly an equal basis as obtains in any strongly organized and recognized national trade union.

Studies of employe representation, academic and popular, have appeared in large numbers within the last ten years and many writers have pronounced what they consider final sentence on the movement. The need for another study may not be at once apparent.

There has been, however, an unusual neglect of the origins of the shop union movement. Students seem to be content with a statement that certain companies organized their employes in certain years and have gone no further into the history of industrial relations in those plants. The studies then proceed to go into great detail as to accomplishments in the present and to make confident predictions for the future. The future of the movement is of especial interest to them and sometimes composes the major portion of the study.

Many studies are frankly propaganda. Others reduce the movement to generalizations. In reality there is no adventure in the field of industrial relations about which less generalizing can be done, at least not until a full account is taken of individual differences. Other writers remove the employe repre-

tation movement from all contact with contemporary labor movements.<sup>1</sup> However, after a careful inquiry into the reasons for establishing shop unions in the plants used as a basis for this study, it is impossible to ignore the influence of national trade unions.

This study will be concerned principally with the part played by government labor adjustment agencies, organized to function during the World War, in the growth of the shop union movement. Certain fundamental underlying factors in the general development of the shop union movement must also be mentioned.

The peak of the movement was reached during the period of the governments' activity in industrial relations, which began in 1917 shortly after the United States entered the World War and continued well into 1919, and even longer for the U.S. Railroad Administration. In the latter part of 1919, and

1. On this point Mr. C.E. French says:

"Whatever may be said of the motives which prompted the introduction of shop committees, it could hardly be said to be a substitute for trade unions. It has in many instances brought to workers their first opportunity to deal collectively.

"Actually the two movements -- trade union and shop committee -- did not come in contact. The official publications of the national trade unions have nothing to say about shop committees. p.77.

A later statement seems contradictory. "Shop committees are openly advocated by employers as a substitute for trade unions." p. 88.

"Trade unions and shop committees are diametrically opposed (in choice of representatives for workers.) They are incompatible in theory and mutually exclusive in practice." same.

"Shop committees and trade unions are more actively in competition than ever before. The shop committee sets forces in actions whose ultimate consequences cannot be foreseen. Employees will never want less and it will lead workers to increasing participation in industry and the national organizations for industry." p.105.

throughout the period of business depression in 1920 and 1921, many plans were abandoned by employers, including many of those originated by government war labor agencies. Probably owing to this fact, the tendency has been to minimize the influence of the government. This study, however, will reveal that many plans in existence at present owe their origin to government agencies, altho little reference is made by the companies to this period in the history of their organization.

Since 1919 the growth of the movement has been slow, notwithstanding activity on the part of the railroads, and mortality among the plans has been high. The National Industrial Conference Board in 1919 listed 151 concerns as having some system of employe representation in operation. This list did not include all plans started late in 1919.<sup>1</sup> In 1922, the Conference Board list contained 214 firms, including 30 coal companies in the West Virginia field that were parties to the Maryland agreement.<sup>2</sup> This agreement was in force in 1918 but these companies were not listed in the 1919 report. Only 68 concerns appear on both lists. In a preliminary survey for this study, made in 1922 and 1923, 183 concerns, not including railroads, replied to questionnaires which had been sent to all companies in the Conference Board and other lists then available. Of this number 51 reported plans discontinued or never organized.

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1. National Industrial Conference Board, Research Report No. 21, Appendix.

2. National Industrial Conference Board, Research Report No. 50, Appendix.

Professor Paul H. Douglas, writing in 1921, estimated that plans were in operation in between 300 and 400 plants.<sup>1</sup> Mr. French, in 1925, gave as his estimate 225 plans organized since January 1, 1918.<sup>2</sup> The latest Conference Board figure, 212, (referred to earlier) includes railroads which were not organized when Professor Douglas prepared his study. In all these figures, the Loyal Legion of Loggers and Lumbermen is counted as one concern, apparently, altho several hundred lumber companies in the Northwest were included in this organization. At present, according to trade union reports, the number is much smaller.<sup>3</sup>

In order to see clearly the relation of the government to the employe representation movement, two other forces influencing its growth must be mentioned here briefly. The first is the realization on the part of certain employers heading large industrial concerns that some new way of handling labor relations was necessary. Professor John R. Commons, writing in 1920 after a survey of labor management in industry, gave as his opinion that from 10 to 25 per cent of American employers were so far advanced in employment management that "trade unionism cannot reach them." Labor conditions in these plants, in his opinion, were better than unions could deliver to their members.<sup>4</sup>

The installation of employe representation systems in concerns where for years the owner of the company was in autocrat

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1. Douglas, Paul H.; Shop Committees: Substitute for or Supplement Journal of Political Economy, February 1921, p. 1. to Trade Unions?

2. French, C.E. p. 26.

3. Dunn, Robert W., Company Unions p. 31.

4. Commons, John R. Industrial Government p. 263.

cratic control is in itself an indication of a changed attitude on the part of employers. Mr. Robert W. Dunn, writing from the labor viewpoint, speaks of the "elaborate theory of employe representation worked out by company union spokesmen who hold down high-salaried chairs in the employment offices or labor divisions of the corporations." <sup>1</sup> Personnel experts are fond of presenting the theory that company unions or employe representation plans have come into use to restore the personal contact between owner or managers and workers lost in the transition of industry in the United States from small one-man owned and operated units to huge corporations employing hundreds of thousands of men and owned by thousands of stockholders. The workers have lost not only their contact with the boss, but their identity as individuals. Lost in the mass, their opinions are given no consideration. From this stifling of all means of self-expression, industrial unrest develops. The shop union has restored personal contact to some degree and provided a channel of communication between men and management. Such phrases occur frequently in any discussion of the movement among employers or personnel experts.

Mr. Joseph H. Schaffner of Hart, Schaffner, and Marx was the pioneer capitalist to attempt to end a chaotic labor situation by employing a labor manager and attacking the problem of eliminating strikes through working with his employes. In 1916, after the installation of the Colorado

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1. Company Unions, p. 26

Fuel and Iron Company plan, which upon probably the most bitter strike the coal industry has ever known, Mr. John D. Rockefeller, Jr., set forth in an article in the Atlantic Monthly the necessity for the restoration of "the personal relation in industry."<sup>1</sup> In many firms the management of labor has now become an executive function, on the same plane with production and sales management.

This elaborate theory, however, rather has developed "after the fact." Throughout the development of industry in the United States, employers seemed to show an absolute lack of concern toward labor, except to pay wages, usually as low as possible in order that profits might be as high as possible. In a small shop things naturally went better, since the owner gave more of his time to the details of management. Employers small or large felt little responsibility toward labor. It could look after itself. Certain groups of workers looked after themselves by organizing trade unions.

It was only when labor called itself to the attention of employers by means of a strike that they devoted their attention to the "labor problem." Their efforts were bent usually to defeating the union and not to ferreting out causes of labor dissatisfaction and attempting to eliminate them. Shop unions express the belief of certain employers that "something had to be done."

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1. Rockefeller, John D. Jr., Labor and Capital-- Partners, Atlantic Monthly, January 1916, reprinted in The Colorado Industrial Plan, published by The Colorado Fuel and Iron Company.

The Secretary of Labor in his annual report for 1918 calls attention to the fact that the characteristic attitude of employers was to regard unsatisfactory labor conditions to be as irremediable as the plagues of Bible times.<sup>1</sup> At present there is a legend on many letterheads of industrial concerns as follows: "All agreements are contingent upon fires, strikes accidents or other causes beyond our control."

The second factor is the refusal of large groups of employers to accept national trade unions as a means of handling industrial relations. There is every reason to believe that the opposition to national trade unions, as represented by the American Federation of Labor, is increasing, rather than decreasing. Certain corporations always have been strongly anti-union -- the United States Steel and certain independent steel corporation, the Pennsylvania Railroad, the textile corporations, and the automobile companies. An increasing number have been associated with the "Open Shop" or "American Plan" campaign of the National Association of Manufacturers and associated groups inaugurated in 1919. This campaign, according to Mr. William H. Barr, one-time president of the association, is inclusive:

"A partial, but careful survey of irresistible activities in behalf of the open shop shows that 540 organizations in 247 cities, of 44 states, are engaged in promoting this American principle in

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1. Annual Report of the Secretary of Labor for 1918, p. 15,

"employment relations. A total of twenty-three national industrial associations are included in these agencies. In addition 1,665 local Chambers of Commerce, following the splendid example of the United States Chamber of Commerce, are also pledged to the principle of the open shop."<sup>1</sup>

During the war trade union membership increased rapidly and approached in 1920 very closely to the five million mark, not including the Amalgamated Clothing Workers and other unions not affiliated with the American Federation of Labor.<sup>2</sup> Friends of labor were encouraged to believe that the union status was permanently improved and trade unionists, with the largest membership in history behind them, set out to consolidate their gains and demand better conditions.

While certain employers during the war met union labor in a more liberal spirit, the majority continued their refusal to accept any conditions that might be considered as granting recognition to unions in any way. At the close of the war, the opposition was organized and widespread publicity for the open shop inaugurated. Trade union membership decreased from five million to only a little more than two million and did not begin to increase until 1925 when the American Federation of Labor reported 2,878,297 members.<sup>3</sup>

The characteristic open shop employer attitude toward trade union recognition is expressed in the following quotation from a letter sent by the late Elbert H. Gary, then chairman of the Board of the United States Steel Corporation

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1. Open Shop Department, National Association of Manufacturers, Open Shop Encyclopedia, p. 16.
  2. Barnett, George E., The Present Position of American Trade Unionism. American Economic Review, March 1922, p. 144.
  3. New York Times, May 25, 1926, p. 29.



to presidents of subsidiary companies September 16, 1919 before the steel strike began, explaining his refusal to meet trade union leaders:

"The declination was made for two reasons: First, because I did not believe the gentlemen were authorized to speak for large numbers of our employes, whose interests and wishes are of prime importance. Secondly, because a conference with these men would have been treated by them as a recognition of the "closed shop" method of employment. We do not combat labor unions as such. We do not negotiate with labor unions, because it would indicate the closing of our shops against non-union labor; and large numbers of our workmen are not members of unions and do not care to be.

"The principle of 'open shop' is vital to the greatest industrial progress and prosperity. It is of equal benefit to employer and employee. It means that every man may engage in any line of employment that he selects, and under such terms as he and the employer may agree upon, that he may arrange for the kind and character of work which he believes will bring to him the largest compensation and the most satisfactory conditions, depending upon his own merit and disposition.

"The 'closed shop' means that no man can obtain employment in that shop, except through, and upon terms and conditions imposed by, labor unions."

A convenient summing up of employers' objections has been made by two personnel experts as follows:

1. Workers do not want trade union membership; they prefer the liberty of the individual contract.
2. If an employer treats his workers fairly, there is no need for trade union organization.
3. Unions do not keep agreements after they have been made.

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1. Copy of letter sent in answer to writer's questionnaire.

4. Union organization and recognition of rules makes it difficult to discharge inefficient men.
5. Union rules make it difficult to reward efficient workers; put premium on mediocrity.
6. Limitation of output and restriction of use of labor saving machinery results from unionism.
7. Union recognition results in expensive jurisdictional disputes.
8. The employer is forced to submit to control of "outside agencies." Employers refuse to recognize the business agent of the union as holding the same position as the executive secretary of a trade association.
9. The union demand for a closed shop as well as the type of union organization is "un-American."
10. Trade unions are "all right in principle but not in practise." <sup>1</sup>

There is, moreover, a certain amount of fear that labor may gain control of industry. Beyond that one finds the ineradicable individualism of the American employer, usually expressed as a determination to run his business as he "sees fit" without dictation from anyone.

Trade unionists, who accepted government-organized shop committees during the war, now regard all forms of employe representation as threats to their organizations. Their acceptance in war time was owing largely to a belief that such organizations would favor unionism, a student of labor has pointed out. <sup>2</sup>

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1. Metcalf, Henry C., and Tead, Ordway; Personnel Administration. pp. 474 ff.

2. Dunn, Robert W., p. 7

In the 1926 convention of the American Federation of Labor at Detroit a fund of \$200,000 was raised to fight company unions. The convention declared that the United States could not remain "half<sup>1</sup> trade union and half company union."

Company unions have been an issue in three of the most important strikes in recent years. This issue became paramount in the Passaic, N.J. textile strike before it was settled. Employees of the Interborough Rapid Transit Company of New York City, which has a strong employees' association, are continuously agitating the right of the men to join the Amalgated Association of Street and Electrical Railway Employees, a right which the company refuses to recognize to the extent of discharging union members. Union members recently have been conducting negotiations with Thomas E. Mitten of the Philadelphia Rapid Transit Company, a pioneer organizer of employee representation.

An attempt is being made to extend company unions in the bituminous coal mines in the Central Competitive Field where formerly union conditions were recognized. An attempt to introduce a company union resulted in the dynamiting of a coal shaft at La Salle, Ill., in the summer of 1928. The La Salle Carbon Coal Company closed the largest mine in northern Illinois, rather than continue paying the Jacksonville scale. A company union had been formed and an

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1. Dispatch to the New York Times, October 2, 1926.

agreement at a reduced scale made with the new organization.<sup>1</sup>

No doubt many employers considered union domination as great a menace as a certain Kansas City employer who was interviewed in gathering material for this study. Employees were organized in a company union in his plant in 1918 when union leaders were conducting an extensive campaign in Kansas City. "We'll shut up shop," he said, "rather than let a union in here."

This particular attitude of employers, who were willing to meet their own men outside a trade union, was to a great extent a result of government war labor policy, altho contemporary studies would lead one to believe that the shop union movement of the present was not affected by government experience. Most studies, when government influence is discussed at all, accept the obvious and ignore the most important considerations, namely:

1. The conditions which brought government agencies into operation in the field of industrial relations.
2. Labor situations the government was forced to meet during the war.
3. Ultimate goals of government activity, which often extended far beyond the organization of representative shop government in single companies.

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1. Dispatch to the Topeka (Kansas) Daily Capital, July 1, 1928.

I. LABOR CONDITIONS AT THE ENTRANCE OF  
THE UNITED STATES INTO THE WORLD WAR  
APRIL 6, 1917.

From the beginning of the World War until a year or more after the signing of the Armistice, government labor adjustment agencies were engaged in settling labor disputes through agreements with employers and trade unions or by the installation of shop committees. Government influence overshadows all other factors in the development of the employe representation movement during this period.

By the close of 1917 some eighteen government labor agencies were engaged in settling labor disputes and before the close of the war, the government, acting through these agencies and the National War Labor Board, served in the capacity of labor manager for practically all of the essential war industries -- munitions, fuel, oil, copper, railroads, shipbuilding, telephone and telegraph, meat packing, steel, construction, longshore labor and others.

The following government agencies developed shop committees as part of the administrative machinery for carrying out provisions of labor awards:

1. The President's Mediation Commission, organized September 13, 1917.
2. The Shipbuilding Labor Adjustment Board, August, 1917.
3. The U.S. Fuel Administration, September 1, 1917.
4. The War Department.
5. The U.S. Railroad Administration, December 26, 1917.
6. The National War Labor Board, April 8, 1918.

The entrance of the United States into the war served to introduce new problems in industrial relations and to bring into high relief difficulties of long standing. War labor agencies, altho created for the purpose of dealing with war emergencies, could not overlook these other conditions.

The government did not enter the war with a preconceived labor policy, designed to centralize control of labor problems in war industries in the government's hands. Government agencies were created as the need arose, and employers and workers were given every chance to settle controversies through their own efforts or through the Department of Labor before other steps were taken by the government. No centralized agency for the settlement of labor controversies was established until the spring of 1918, when the National War Labor Board was created by presidential proclamation. By that time labor agencies, organized labor, the general public, and to some extent employers were demanding that the government develop such a policy.

The Chicago Tribune, in an editorial dealing with strikes and the confused labor situation in February 1918, declared,

"Meantime, for lack of a labor policy and of a unified plan of handling labor problems the situation has grown steadily worse."

and in a later editorial,

" Any manufacturer could have told the government that the labor problem would have to be settled at the outset if our war program was to be carried on without constant interruption and delay. Far-seeing statesmen, with the example of England close at hand, could have devised a policy that would at the same time safeguard the rights of labor and insure maximum production." 1

The first authoritative statement of the government's position on labor problems was made by the Council of National Defense, speaking through the Secretary of Labor, April 23, 1917, as follows:

"The Council of National Defense takes this position: That the standards that have been established by law, by mutual agreements or by custom, should not be changed at this time; that where either an employer or an employee has been unable under normal conditions to change the standards to their liking, they should not take advantage of the present abnormal conditions to establish new standards.

"That employers and employees in private industries should not attempt to take advantage of the existing abnormal conditions to change the standards which they were unable to change under normal conditions." 2

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1. Chicago Tribune, February 3 and 17, 1918, quoted in Watkins, Gordon S., Labor Problems and Labor Administration in the United States During the War. U. of Illinois Studies in Social Sciences, Vol. VIII, Nos. 3 and 4. p. 25.
  2. King, Stanley, A Report of the Activities of the War Department in the Field of Industrial Relations During the War. War Department, Office of the Secretary. September 15, 1919. p. 8.

Neither this statement, nor the activities of the Department of Labor seemed to have any permanent effect upon the warring groups of employers and workers. Lack of success probably was owing to the fact that the Department of Labor could only make recommendations, which employers were free to accept or reject.<sup>1</sup>

The labor program of the Council of National Defense was comprehensive, as Dr. Watkins points out in his study. It anticipated almost every conceivable labor problem that might arise but it did not possess specific powers on the executive or administrative side. The multiplicity of committees, while providing valuable suggestions, provided no way of getting things done immediately. The program later supplemented the activities of the more powerful government bodies.<sup>2</sup>

The period of expansion of war industries in the United States from the beginning of the European war in 1914, was marked by strikes and unsettled conditions. Decrease in immigration and the return of foreign laborers for war service were having their effect on the labor supply. Trade union activity was increasing and workers were presenting demands and striking to obtain them. Wages were rising in war industries, owing to employers' willingness to bid high for skilled labor. The cost of living was increasing far beyond the increase in wages in many industries. Strikes were pending in many plants,

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1. War Department, Industrial Relations Report p. 27.

2. Watkins, pp. 132-33.



notably the shipyards of the Pacific and Atlantic coasts when the United States entered the war.

The situation seemed to have been intensified by the entrance of the government into the field as the largest customer. Firms with favorable contracts continued to outbid private plants engaged in non-war activities or firms with less advantageous contracts for skilled labor. Workers in less-favored plants began to strike for higher wages. If one employer could pay such wages, all engaged in the same industry should pay the same, in the opinion of labor. Strike demands included union recognition.

Employers, an investigator declared in a report to the Shipping Board, did not run true to form in raising the standard of wages, but did do so in retaining at the same time their "instinctive hostility to organized labor."<sup>2</sup>

In the first six months of the war there were at least 3,000 strikes, involving 2,521 establishments and 283,402 employees, the National Industrial Conference Board reported.<sup>2</sup>

The largest number of strikes was for wages, and the second largest for wages and the closed shop. Strikes for changed hours, recognition of the unions, and other causes

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1. Wolf, A.B., Works Committees and Joint Industrial Councils. U.S. Shipping Board. p. 49.

2. National Industrial Conference Board, Research Report No. 3. Strikes in American Industry in Wartime, April 6 to October 6, 1917. p. 3.

involved a smaller number of plants.

The main causes of unrest were found by Conference Board investigators to be:

1. Increased cost of living and failure of employers to anticipate that influence in many cases.
2. Widespread labor discontent owing to a belief in profiteering.
3. Increased independence of the workers, labor shortage, and a feeling that the situation constituted labor's opportunity for forcing union recognition or the closed shop.
4. Inequality between wages in plants in private work and government contracts or private plants engaged in war work.
5. The Federal Administration's virtual endorsement of the 8-hour day. (Adamson 8-hour law for railway employees.) <sup>1</sup>

To these may be added the complex problems arising out of the necessity for dilution of skilled labor and the unfavorable housing conditions in both new and rapidly growing old industrial centers. There was also the detrimental affect on labor morale from attempts to break down safeguards designed to protect workers' health and strength, using the need for maximum production as an excuse. <sup>2</sup>

Non-union employers were firmly resolved not to let labor encroach upon what they considered their rights and regarded attempts at organization as "an arrogant dictation of their business by labor when labor felt itself

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1. Strikes in American Industry in Wartime. p. 20.

2. Watkins, p. 75.

sufficiently strong to make the attempt." <sup>1</sup>

Certain statements of labor leaders were alarming employers and the public, such as the often-quoted remark of the president of the International Carpenter's Union before the New England Shipbuilder's Conference in 1917, to the effect that at that time industry was powerless without the cooperation of labor.

Dr. Gordon S. Watkins in his study of war labor administration points out the effect of the belief that organized labor was not in favor of the war. Reports of alien enemy activities in labor organizations, the anti-war activities of the I.W.W. and other radical groups, demonstrations against foreign labor and other manifestations of what is now recognized as being for the most part war hysteria, were reacting against organized labor. Demands were made for conscription of labor. Industry was frightened over the labor shortage, altho the Secretary of Labor declared it was more apparent than real. Judge Gary, chairman of the board of the United States Steel Corporation, and even business men in California, were demanding importation of Oriental labor. <sup>2</sup> Fear of the effect of restriction of production through "strikes on the job" and workers' opposition to the war led to the passage of the Sabatage Act <sup>3</sup> April 23, 1918.

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1. March, E.P., Wage Adjustments in the California Oil Fields, U.S. Monthly Labor Review, October 1920, p. 634.

2. Watkins, p. 58. 3. Same p. 40. Sabatage Act, Public Document No. 106, 65th Congress 2nd Session.

As a result of the chaotic labor conditions, production began to slow down, just when the government was convinced that the maximum production of war materials was as necessary as the training of an army for the winning of the war. The government finally found itself rather in the position of a customer who had to take charge of a manufacturer's labor, in order to obtain goods for which he would pay high prices.

The immediate events which brought the government into the field as a special agent in industrial relations were strikes in the Arizona copper mines in the summer of 1917 and continuing strikes in the shipyards. A strike was called for June 26 in Arizona. Early in July more than 1,000 strikers, alleged to have been I.W.W.s., were deported from Bisbee, Ariz., by citizens, including copper mine officials, according to government reports.<sup>1</sup> The situation aroused nation-wide interest, and Samuel Gompers, president of the American Federation of Labor, and secretary of the labor division of the Council of National Defense, appealed to President Wilson to take action. Ten thousand Mexican copper miners were on strike at the time. Twenty-eight per cent of the copper mined in the United States came from this district and supplies were urgently needed for munitions.<sup>2</sup>

A special commission, called the President's Mediation Commission, was appointed September 13, 1917 by memorandum of the President, and went immediately to Arizona.

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1. Adjustment of Labor Difficulties in the Arizona Copper Region. U.S. Monthly Labor Review, Vol. V, p. 1125 ff.

2. Watkins, p. 151 ff.

It was composed of Secretary of Labor Wilson, Col. J.L. Spangler of Pennsylvania, Verner Z. Reed of Colorado, John H. Walker of Illinois, and E.P. March of Washington. Felix Frankfurter<sup>1</sup> was appointed secretary. Owing to difficulties of organization, the Shipbuilding Labor Adjustment Board, organized August 20, 1917, did not begin to function until after the President's Mediation Commission was in the field.

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1. Watkins, p. 151.

## II. SHOP UNION ORGANIZATION ADOPTED BY GOVERNMENT LABOR ADJUSTMENT AGENCIES AS WAR LABOR POLICY

### A. The President's Mediation Commission.

#### Arizona Copper Mines

The President's Mediation Commission was the first government labor agency to introduce shop committees for collective negotiation between workers and management. In the Arizona copper mines the award established committees to be chosen at each mine, "independent of any influence, direct or indirect to be exercised by the company;" composed of union men where miners were union members. There was to be no discrimination on the part of the company between union and non-union men. No grievances on the part of the workers, either well-founded or imaginary, could be allowed to stop<sup>1</sup> production.

These committees were established to meet an insistent demand on the part of the workers, the commission reported, for representation in considering their grievances. "Underlying conditions" in the industry and not immediate war emergencies were responsible for the situation in Arizona. Labor conditions were such as to provoke strikes rather than to prevent them. Other causes of trouble were said to be the lack of a responsible executive to deal with labor and

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1. Awards in the Arizona Copper Mines, Globe-Miami and Clifton-Morenci Districts, U.S. Monthly Labor Review Vol. V, p. 1126.

absentee ownership. The mines are owned by the Phelps-Dodge Corporation and the Lewisohn interests of New York. Another important consideration was "failure on the part of the resident managers to understand the mind and heart of labor because they have not the aptitude or training or time for wise dealing with problems of industrial relationship." A migratory working force, which the commission characterized as "economically an intolerable waste," the presence of from 26 to 32 difference nationalities in the various camps, and lack of Americanization activities were also listed among the causes of unrest. Many of the workers may have been ignorant that the country was at war or of the issues involved, it was believed.<sup>1</sup>

The men had grievances, the commission declared, but not sufficient to call a strike. Nevertheless a strike was called. Three basic claims were presented by the men. They complained of the autocratic management of the mines, which allowed them no representation, demanded power to obtain industrial justice in matters vitally concerning them, and asked the removal of certain specific grievances. The "crux of the conflict" in the commission's opinion, was the workers' insistence on their right to negotiate concerning basic conditions of employment.<sup>2</sup> Workers' committees were established to provide means of negotiation with the management.

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1. Report of the President's Mediation Commission. U.S. Monthly Labor Review, Vol. VI, p. 544 ff.

2. Same, p. 546.

Committees of workmen, however, were not considered a sufficient guarantee of peaceful relations. A U.S. administrator, acceptable to both sides, was appointed as a court of final appeal, in order to "assure an impartial and effective working of the scheme."<sup>1</sup> "A feeling of impotence" had been attached to committees in the Clifton-Morenci district, the award declared, because all final decisions had remained with the management. Workers' committees had been in existence in these mines before the government became<sup>2</sup> interested in the strike.

The most acute disturbances were in the Warren district, notorious at the time for the Bisbee deportations. The commission made a special investigation here and severely condemned the action taken by the citizens, including officials of the Copper Queen Consolidated Mining Corporation of the Phelps-Dodge Corporation and the Calumet and Arizona Mining Company. The deportation of the supposed I.W.Ws. was decided upon at a meeting of citizens July 11, 1917, participated in by managers of these mines. The commission found that altho the men were on strike conditions were free from disorder and there was no thought of violence. An appeal had been made for troops but army officers reported conditions peaceful.

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1. and 2. U.S. Monthly Labor Review Vol., V p. 1125 ff.



The planners of the deportations, it was said, abstained from consulting legal officers of the state or the company. As a result of this meeting, more than 1,000 miners were put on a train and carried to Columbus, N.M., where authorities refused to let them off the train. They were carried back to Hermanos, N.M., and left in the desert without food, water, or shelter, for two days.

Mine officials and citizens urged in justification that they feared violence and destruction of property, but the commission found that there had been no danger of such action on the part of the workers. The Department of Justice was later called in to make a report as to the legality of the deportations.<sup>1</sup>

The underlying principles of the agreements for the copper mines provided:

1. Orderly and impartial processes for the adjustment of grievances, inevitable in large-scale industry, substituted for strikes. A U.S. Administrator as a final court of appeal.
2. Grievance committees free from all company influence to provide channels of communication between workers and the company, since the working conditions of an industry should be determined normally by the parties themselves.
3. The right to organize in trade unions and freedom from discrimination by the company on account of trade union membership.
4. Strikers' jobs to be returned except in the few cases of violence reported or because of incompetence. 2

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1. Report of the President's Mediation Commission condemning Deportations from the Warren District of Arizona. U.S. Monthly Labor Review, Vol. VI, pp. 13-16.
  2. U.S. Monthly Labor Review Vol., VI, p. 546.

## California Oil Fields

The same plan of workmen's committees with a Federal administrator as final authority was put in effect in the California oil fields by the President's Mediation commission, following a meeting with workers and operators at Santa Barbara in the fall of 1917. This so-called "tri-partite agreement", since it involved government, workers, and operators, was renewed in 1919 and again in 1920.

Unrest in the oil fields resulted from long hours, low wages, and workers without means of negotiation with their employers. Such conditions prevailed because of lack of organization and because the direct relations between productive efficiency and labor conditions surrounding the employes had not been brought home to the employers, in the opinion of Mr. E.P. March, one of the members of the commission.

The workers' demands for shorter hours and higher wages were precipitated by the action of one company which early in 1917 established an 8-hour day and a \$4 minimum wage. Other workers demanded conferences with employers, through their union representatives, and were refused. The union, newly organized, included from 9,000 to 10,000 of the 18,000 oil workers. Their leaders appealed to the Department of Labor instead of striking as a body at the refusal of their demands. A few small strikes occurred.

The commission appealed to both sides and succeeded in bringing them together because, Mr. Marsh said, both sides realized the urgent necessity for the production of petroleum. If the operators had not been convinced of this, he said, they doubtless would have refused to meet their workers since they "honestly believed that organization of the workers spelled nothing but disaster to them."<sup>1</sup>

A "new method of industrial relationship" was established because of the employers' opposition to any implication of trade union recognition. "The bar in the way of collective bargaining so often found in our industries is the fear of the employers that the workers, once organized, and with no legal responsibilities, will not observe their contracts--and try to exact impossible conditions to the constant disturbance of carefully built business mechanisms."<sup>2</sup>

The commission realized that such a point of view "could not be changed overnight" and had to devise a way to bring about the same results without direct union recognition. The oil operators insisted, before they met with the workers in the presence of government representatives, that no union recognition was "implied or understood" by such meetings.<sup>3</sup> #

Workers' committees were to be selected from the workmen employed in each plant, refinery, pipeline, and

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1. Labor Adjustments in the California Oil Fields, U.S. Monthly Labor Review, Vol. XI, p. 635.

2. Same. 3. Same p. 636.

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oil-producing plant, with no employe possessing power to hire or discharge eligible for membership. Companies with few employes could combine for the purpose of electing a workmen's committee. A Federal oil inspector was the final appeal on questions of fact.

These conditions were stated in a memorandum the purpose of which was "to provide the necessary machinery to function in the preliminary stages of every dispute, with due recognition of the rights of all concerned."<sup>1</sup>

The "California plan" involved three important considerations for American industry" in Mr. Marsh's opinion. There was, first, the "unvoiced desire of millions of America's workers for some form of expression of their very human wants, some machinery through which they may bargain with employers on even terms;" second, recognition that the day of individual bargaining is gone, never to return; third, the fact that many employers regard direct recognition of labor unions with extreme repugnance.<sup>2</sup>

#### Industries in the Northwest

The commission also turned its attention to conditions in the shipyards at Seattle and Portland, to the Pacific coast telephone companies, and to the lumber industry in the Northwest. The telephone company adjustments are not of interest to this study and the shipyards disputes

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1. Memorandum of Terms Governing Relations of Operators and Workmen in Oil and Gas Producing Companies etc. as Determined by the President's Mediation Commission and the Committee of Such Workmen. U.S. Monthly Labor Review, Vol. IX, pp. 639 and 640.

2. U.S. Monthly Labor Review, Vol. XI, p. 637.

were turned over to the Shipbuilding Labor Adjustment Board for settlement.

Altho the lumber controversy was settled finally by the War Department, the commission's report on conditions is of interest. The lumber industry in that particular section of the country was, it declared, still "determined by pioneer conditions of life" and marked by the "inevitable rigor of conditions," which were "reinforced by neglect of the men." <sup>1</sup>

Unhealthy social conditions prevailing over a long period of time finally resulted in a series of strikes early in 1917. The entrance of the I.W.W. into the camps was owing to the intensely bitter opposition of lumber operators to union labor, which prevented entrance of organizations which might have kept out the "wobblies." This opposition was carried so far as to bind employers' associations to discriminate against mills which introduced any change in labor relations. Some means of contact between workers and operators was necessary, the commission believed. If recognition of the union was too abrupt a step, a form of employe representation should be worked out. <sup>2</sup> This was done under the direction of the War Department.

Although the chief purpose of the commission was to speed up war production it found that this could not be done without looking into pre-war grievances of labor which were of long standing. Labor disputes in industries coming

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1. and 2. U.S. Monthly Labor Review, Vol. VI pp. 549-50.

under their authority were owing to four general causes;

1. Lack of a healthy basis of relationship between management and workers.
2. Absense of any machinery to settle disputes.
3. Lack of knowledge on the part of capital as to the attitude of labor, owing principally to a lack of collective negotiation as a normal process of industry.
4. Uncorrected grievances, especially low wages and long hours. 1.

The commission made the these final recommendations:

1. Elimination of profiteering.
2. Restoration of the personal relation in industry which disappeared with large scale production.
3. Introduction of the 8-hour day in industries where it was not in effect.
4. Unified direction of the labor policy of the country for the duration of the war.
5. Continuous operation of administrative machinery for the settlement of disputes.
6. Labor to give up all restrictive policies if assured of sound labor conditions.
7. Education of employers and the public in labor grievances. 2

#### Shop Committees in The Packing Industry

Shop committees were introduced almost surreptitiously into the five largest packing plants of the country through the Alschuler award which went into effect early in 1918. Judge Samuel Alschuler was appointed arbitrator in the packing companies' case by the President's Mediation Commission, which directed its attention to the

packing companies when a threatened strike in the plants of the "Big Five" promised to tie up the entire industry in December, 1917. One hundred thousand workers and plants in eleven cities would have been involved. Specific<sup>1</sup> grievances were low wages and long hours.

The Alschuler award, affecting the plants of Swift and Company, Morris and Company, Armour and Company, Cudahy and Company, and Wilson and Company, was based on the general principles set forth in earlier awards by the commission: negotiation rather than strikes, no discrimination against workers for trade union membership, and representation for workers in the settlement of grievances. The agreement was to govern conditions until December, 1921.

Workers' representation through committees was provided in the award, but only after employees had made a first attempt to settle grievances with the foreman. The right of appeal through company officials to the manager's office was granted and appeals could be made in "person or by representatives selected by affected employer and employee." It was understood, however, "that there shall be no permanent person or committee on complaints or grievances in the plants, but such employees have the full right to name the same representatives or repre-

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1. U.S. Monthly Labor Review, Vol. VI, p. 550.

sentatives for successive complaints or grievances if they see fit to do so." <sup>1</sup> Employees were no longer required to join the sick and death benefit association of <sup>2</sup> the company.

War labor conditions, permitting the increase in union organization, were directly responsible for the changes in the packing industry. The decrease in immigration, the operation of the draft laws, and higher wages in other industries were cutting down the supply of packing house labor, composed chiefly of non-English speaking and negro unskilled labor. The Amalgamated Meat Cutters and Butcher Workers were making headway for the first time since 1904 when they had been disastrously defeated in a strike. Union agreements were signed only with masons, printers, and teamsters in the packing houses, all of whom belonged to <sup>3</sup> strong national unions.

The Alschuler agreement was important, not only because of the decisions, but because of the argument upon which they were based. <sup>4</sup> In regard to workers' representation, Judge Alschuler declared that it was unfair to compel individual workmen to deal individually with employers in large scale industry, especially when large numbers of non-English speaking employees were involved. They should be al-

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1. Labor Award in Packing House Industries. Agreement attached to the Arbitrator's Award, Sec. 1 and 2, U.S. Monthly Labor Review, pp. 1175, 75.

2. Same, Sec. 10. 3. Same, p. 550.

4. Same, p. 1163.



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lowed to voice their grievances through representatives.

Wages had not been changed for twelve years, except for reductions for common labor, it was pointed out. The packers further showed little disposition to increase wages until the arbitrator's award was put in effect. Not only were wages low, but union leaders asserted that some of the plants were not worked 50 per cent of their capacity two-thirds of the time.<sup>2</sup> The award provided for the basic 8-hour day and wages based on the cost of living index, altho the workers did not receive the amount of increase they had demanded. That was the only demand the award failed to meet, with the exception of union recognition. The usual provisions against discharge and discrimination for trade union membership<sup>3</sup> were included.

There was no way out of the Alsculer award for the packing companies because of the reduction in their sources of labor supply. Union activity increased following the acceptance of the award. Workers' committees, independent of trade unions, were elected to meet with the managers in various plants.

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1. Same, p. 551.

2. Same p. 1164.

3. Same p. 1175.

## B. The Shipbuilding Labor Adjustment Board.

The Shipbuilding Labor Adjustment Board was the first of the government labor adjustment agencies to be organized, altho it did not begin to function until after the President's Mediation Commission was in the field. Labor unrest in the shipyards had reached such an acute stage in the summer of 1917 and the country's need for ships was so imperative, that the government was convinced of the immediate necessity for some means of dealing with labor disputes which were interfering with the war program. At the time the board was organized a strike involving 10,000 to 15,000 men was in progress in the shipyards around New York. Men in the Wilmington, Del., yards had been called out and strike votes had been called for in Seattle, Portland, and San Francisco. In September the boilermakers of San Francisco struck on the issue of unfair materials.

It became evident to the Emergency Fleet Corporation, the agency of the United States Shipping Board charged with advancing ship production, that in order to carry out its program it would have to concern itself with labor. When shipbuilders and workers began to realize that the government was their sole customer, they looked to the Fleet Corporation as the final authority for wages and working conditions and the settlement of disputes. The wage rate entered into the production problem as perhaps the most important consideration. Shipyard owners were not anxious to make "lump-sum" contracts with the Fleet Corporation unless they

had some guarantee as to wages and the government as the final paymaster was interested in "cost-plus" contracts<sup>1</sup> from the same point of view.

The Shipbuilding Labor Adjustment Board was created August 20, 1917 for the purpose of adjusting disputes which might arise concerning wages, hours, or working conditions of labor engaged in the construction or repair of shipbuilding plants or of hulls and vessels in the shipyards under contract with the Emergency Fleet Corporation or the Navy Department. It was composed of one member appointed jointly by the Emergency Fleet Corporation and the Navy, one representing the public appointed by the President, and one representing labor unions, appointed by Samuel Gompers.<sup>2</sup>

The memorandum creating the board was signed by Franklin D. Roosevelt, acting Secretary of the Navy, the Chairman of the U.S. Shipping Board, the general manager of the Fleet Corporation, presidents of the metal trades department of the American Federation of Labor and the International Association of Machinists, and the secretary of the metal trades department of the Federation. It was approved by Mr. Gompers, the president of the International Moulders' Union, a representative of the United Brother-

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1. Hotchkiss, Willard E. and Seager, Henry R., History of the Shipbuilding Labor Adjustment Board. Bulletin of U.S. Department of Labor Statistics No. 283, p. 1.

2. Codification of the Shipbuilding Labor Adjustment Board Awards, Decisions, and Authorizations. Compiled by J. Caldwell Jenkins. p. 1.

hood of Carpenters and Joiners, the president of the building trades department of the Federation of Labor, and officials of other trade unions engaged in shipbuilding.<sup>1</sup> This agreement was the result of conferences between Mr. Louis B. Wehle, an attorney representing the Emergency Fleet Corporation, Samuel Gompers, and officers of the metal trades department of the Federation of Labor.<sup>2</sup>

Membership of the board under the August 20 agreement consisted of V. Everitt Macy, representative of the public, appointed by the President; E. F. Carry of Chicago, representing the Emergency Fleet Corporation; and A. J. Berres, secretary of the metal trades department of the Federation of Labor, for labor. A Navy representative was to be added in the case of disputes in yards with Navy contracts and an alternate labor member was to be named in cases involving construction of wooden hulls. Representatives of yard owners and of the majority of workers in crafts interested were to serve as associate members.<sup>3</sup> The first names presented for the Emergency Fleet representative were rejected because organized workers declared their attitude was antagonistic.<sup>4</sup>

The Board immediately summoned union representatives from Seattle and Portland but little progress was made toward settling disputed points because of a controversy which arose in the board as to the extent of its authority.

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1. Codification, p. 1. 2. History, p. 8. 3. History, pp. 8, 9, 15. 4. History p. 13.

The Fleet Corporation demanded the final voice in wage agreements because of the responsibility placed on the general manager of the corporation for cost of ships. Other members contended the agreement made the board's decision binding on all its members.<sup>1</sup>

The Seattle union representatives remained in Washington for several weeks, but no settlement of their demands could be made because of this controversy and they left for home the day the board met for the first time after the matter of final authority had been decided.<sup>2</sup> In the meantime the President's Mediation Commission was investigating conditions among shipyard labor, especially in the Portland plants. Conditions in the shipyards were mentioned in the commission's report, but action was left for the shipbuilding board.

Following a conference in which the President was represented by his secretary, it was finally agreed that the decisions of the board should be final. The Fleet Corporation assumed responsibility for seeing that decisions of the board as to wages and other matters were put in effect and the wages fixed by the board adopted in shipyards. The Navy Department and the Fleet Corporation agreed to take up with their local staffs the adjustment of wages, hours, and working conditions according to the terms of the particular contracts. This agreement was not

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1. History, p. 12. Same, p 15.

reached until September 23 and in the meantime workers in  
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 Seattle had gone on strike.

By the time the board was ready to assume an active part in shipbuilding labor controversies, the conception of its functions had changed considerably. When it was organized in August, the general assumption was that it would interfere as little as possible with existing conditions in the individual shipyards. All parties to the agreement seemed to feel that the board would be required to act only in cases where strikes were about to occur and that wages established by the board would be minimum wages. The subsequent program was a decided departure from the original plan. The change was owing to the assumption of responsibility by the government for wage increases and the great powers conferred by the President's action.  
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#### Shop Committees in the Columbia River Yards

The first shop committees were established in the Columbia River shipyards where non-union conditions had prevailed for many years and where the unions, altho membership was increasing, had not been able to force recognition. The feeling was particularly bitter in this section between employers and workers. As a result of employers' opposition, a city ordinance was in force in Portland which made attempts to change relations between workers and employers an act of conspiracy. Employers had failed in an attempt to embody the provisions of the ordinance in a state law.  
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Shop committees were not installed in the Seattle yards, since employers and the unions had conducted negotiations for years. The wage situation in Seattle, however, affected the entire Pacific Coast and was one of the underlying causes of unrest in the industry throughout the United States. A Seattle shipbuilder had obtained contracts in the summer of 1917 providing for an increase in the price of ships covering wage advances. His men already were receiving wages above the union scale. Under his contract, no wage advance would affect his profits, and workers in that plant were convinced that the company was willing to increase wages at its own expense as well as to urge increases for workers before the government board. This attitude affected workers ~~far~~ in their demands for wages in all the coast yards, especially in Portland, where wages were below the union scale. Increase in the Seattle plant forced increases above the scale especially in the new yards which were bidding for skilled labor against a shortage that was becoming greater every day. <sup>1</sup>

The board attacked the situation on the Pacific Coast by appealing at once to the patriotism of workers and employers, saying that the war had changed all relations between the two groups who now could be regarded as enlisted men in the service of their country. This appeal was embodied in the November 4, 1917, award, provisions of which were handed down in October as follows:

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1. History, p. 16.

"Sec. II Practically the whole shipbuilding industry of the country is being carried on for the benefit of the government. Employers and employees must realize that the war has changed their relations to each other. They are now working together for the preservation of their common country.

The government is insistent that the ships it requires must be built and built promptly. It is equally insistent that standards of living be preserved. Employees may thus join with hearty accord in the efforts of employers to carry out the shipbuilding program and rely in the good faith of the government and of this board to see to it that any grievance that they have is promptly and fairly adjusted."1

Questions regarding the basic wage scale and overtime were to be determined by the board but local grievances were left in the hands of shop committees, according to the following provisions:

"The employees in each craft or calling in a shop or yard shall have the right to select three of their number to represent them as members of a shop committee. Each member of this committee shall be chosen by a majority vote through secret ballot in such manner as the employees shall direct. The chairman of each craft committee shall be a member of the joint shop committee." 2

If shop committees failed to adjust grievances through conferences with the foremen, superintendent, or president of the company, a Shipping Board examiner was called in. There was to be no discrimination against committeemen or against strikers who were reemployed. The question of union recognition was settled for the entire coast in the following section of the November



agreement:

"Sec. VI. Ninth: In accordance with the understanding reached by all parties throughout the coast district, no change shall be made in any existing craft conditions nor shall any new craft conditions be established until the same shall have been agreed upon between employer and employee subject to the approval of this board." <sup>1</sup>

In the Columbia yards, some employers questioned whether the agreement which established shop committees granted recognition of the union, "an interesting, but for purpose of the board, not a very important question." Altho the agreement was drawn up after conferences between the employers the international presidents of the unions, and the Shipbuilding Labor Adjustment Board, the Columbia River yard owners maintained that they had made the agreement with the board and not the unions. Both sides, the board noted, had signed it. <sup>2</sup> In the Seattle and San Francisco Bay districts, agreements were signed <sup>3</sup> by employers and union representatives.

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1. Codification, p. 169. 2. History, p. 20.

3. Provisions for settling local grievances in Seattle and San Francisco Bay awards were as follows: "Such grievances as do not relate to the subject of hours or wages covered by this agreement, which may arise in any shop, shall be given consideration as follows: Upon being made to either party to this agreement in writing, the duly authorized representatives of the firm and the business representative of the Iron Trades Council, who may be elected to represent the union, shall immediately proceed to the shops where such grievances exist and endeavor to mutually settle the same."

Codification, p. 72

Changes in Personnel and Policy  
of Board in December 8, 1917 agreement

Following the Pacific Coast agreements, somewhat radical changes were made in the personnel and policy of the board, which experience indicated were necessary. The membership was reduced to three: Mr. Macy, presenting the public; Mr. Louis A. Coolidge of Boston, representing the Emergency Fleet Corporation and the Navy; and Mr. Berres, sole representative of labor, appointed by Samuel Gompers. The practice of calling in employer and worker representatives concerned in disputes was discontinued as well as adjustments between district officers of the Fleet Corporation and labor. Later Dr. L.C. Marshall of Northwestern University, who already had served on war labor boards, was appointed upon Mr. Coolidge's resignation.

As far as labor was concerned, the new agreement tended to place the authority for representing labor upon the officers of the international unions concerned, even in local cases. One board was made the instrument for all adjustments. The necessity for these changes came, not because of any "preconceived theory" but because the parties to the agreement had a greater appreciation of the war emergency and the importance of unified action.<sup>1</sup>

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1. History, pp. 13, 14.

Shop Committees in Atlantic Coast  
Southern, and Great Lakes Yards

Shop committees were omitted from the Delaware River award, announced February 14, 1918, partly owing to opposition on the part of employers and partly to the board's belief that yard owners and organized employees were on the point of entering into a joint agreement to establish machinery for the adjustment of grievances. Machinery adopted by joint action, it was declared, was<sup>1</sup> preferable to any arrangements made by the board.

Lack of provisions for shop committees and a provision for no discrimination against union men led to a great increase in union membership. Because of union strength, union representatives became the agents of the workers in making local adjustments. This custom became so thoroughly established that the functioning of shop committees established in later awards was somewhat handicapped.<sup>2</sup>

Classification of crafts and lack of a uniform wage scale were the chief points of difficulty in the Delaware River yards. Variations in wages were the result of independent bargaining with the workers, the board declared. Pieceworkschedules presented the most complex problems.

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1. History, p. 26. For text of award see Codification, pp. 80 to 130.

2. History, p. 64.

In the piecework award, a committee of pieceworkers representing each craft was appointed to help establish uniform rates, if possible. Comparison of rates for different yards seemed absolutely necessary and the only way to obtain this information was through committees of yard owners and pieceworkers. These committees, however, represented all plants.<sup>1</sup>

Shop committees similar to those in the Columbia River district were prescribed for the South Atlantic and Gulf state yards and for the Baltimore and Savannah wooden shipyards in decisions handed down March 4, 1918.<sup>2</sup>

For the North Atlantic yards, shop committees were embodied in the award of April 6, 1918 which included steel shipyards of New York, Boston, Bath, Me., and the repair yards in New York harbor. Conflict in the New York yards had been continuous, where employers had refused to recognize the representatives of the strongly-organized building trades, altho accepting approximately the union scale of wages.

Wages varied greatly along the Atlantic coast, owing to sources of labor supply, and employers were reluctant to accept changed conditions. Shipbuilders in this district had not been parties to the original labor adjustment board agreement and many of them "viewed this interference with their right to determine wages and working conditions for themselves as unreasonable and even intolerable."<sup>3</sup>

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1. History, pp. 24 and 30. Codification, p. 111.  
 2. History, p. 33, Codification, pp. 142 and 149.  
 3. History, p. 37.

The fact that workers' demands at these hearings were presented by the strongly organized, altho unrecognized building trades of the New York district doubtless contributed a great deal to this attitude of opposition.<sup>1</sup>

Provision for installation of shop committees in all yards of the Great Lakes district, whether or not disputes were pending between workers and employers, was contained in the award of April 19, 1918.<sup>2</sup> A minority opinion from the Navy and the Emergency Fleet Corporation representative was attached to all these awards, protesting this action on the ground that the board had no jurisdiction over yards where no disputes had arisen. This opinion, in part, follows:

"It (the board) is established to meet a grave war emergency; and its machinery should not be used by organizations of employers or employees to strengthen permanently such organizations or to change working conditions in plants where labor controversies do not imperil effectiveness or impede production."<sup>3</sup>

Union organization in the Great Lakes district was increasing, and union officials were insisting upon their right to represent all protesting workers before the Ship-Building Labor Adjustment Board. The yards were open shop, in the sense that owners were unwilling to recognize officials of the international unions.

The majority opinion of the board declared that lack of uniformity, first in the matter of wages and secondly in working conditions, would result in remoralization

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1. History, p. 37. 2. Same, pp. 40-41.  
3. Same.

of the workers, rather than in efficiency. Experience in the Puget Sound yards demonstrated that yards increasing the government or union scales of wages could nullify an agreement and so cause strikes and other manifestations of unrest.<sup>1</sup> The promotion of shop committees in the Lakes district, especially after Mr. William Pitt of Kansas City was appointed administrator, was rapid and committees functioned perhaps more effectively in this district in actually settling disputes, rather than in referring them to the board.<sup>2</sup>

Shop Committees for  
All Shipyards

Labor difficulties were intensified in the summer of 1918 and the board was engaged constantly in attempts at settlement, usually successful. In the final awards, handed down October 24, 1918, the same conditions applied to all yards except the Pacific coast, where the first award was continued. This first award formed the basis for all succeeding decisions.

Shop committees were continued in the Columbia River yards but in other Pacific coast plants local adjustments were made, as before, by agents mutually agreed upon, meaning union officials, by yard owners and employees.<sup>3</sup> These were subject to appeal by examiners to the board.

For the Great Lakes, Eastern, and Southern yards the board directed that:

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1. Same.
  2. Same, p. 65.
  3. Same, p. 48.

"Sec. 4. Shipyard owners not parties to joint agreements with the labor organizations of their respective districts are directed to cooperate with their employees in making effective the following rules in reference to the settlement of industrial disputes: provided that shipyards having in operation substantially similar rules may, on the recommendation of the board, be permitted to continue the same. "1

The "blanket award" contained the following carefully worked out provisions for committee representation, including in section II the right of committees to call in a representative for conferences, doubtless meaning a trade union official:

"1. Employees of each craft or calling in a shop or yard shall have the right to select three of their number to represent them as members of a shop committee. Each member of this committee shall be chosen for a term of six months by a majority vote through a secret ballot, in such manner as the employees may direct. ---The chairman of each shop committee shall be a member of a joint shop committee. The joint shop committee shall by ballot select five of its members to act as an executive committee to represent it in conferences with higher officials of the company. In contested cases the district examiner shall decide as to the validity of the election of the shop committee and supervise a new election when he deems such new election necessary.

"2. When a grievance arises it shall be taken up by the craft or laborers' committee with the foreman or general foreman. Failing an adjustment, the craft or laborers' committee may then take it up with the superintendent and may call in the assistant of a representative chosen by the committee to confer with the superintendent or higher officials. If the grievance concerns more than one craft it shall be handled through the joint shop committee, first with the superintendent and then, failing settlement, with the higher officials of the company. In such conference with the superintendent or high officials

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1. S.L.A.B. Rulings October 23, 1918, see Codification p. 255; November 1, 1918, p. 258; Columbia River, p. 172; and San Francisco, p. 171.

"the joint committee shall have the right to call in the assistance of a representative chosen by the committee. In case such conference fails to result in a satisfactory adjustment the grievance shall be submitted to the district examiner. "1.

Section three provided for the protection of committee members against unjust discharge and Section five prohibited discrimination in any way between union and non-union men.

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### Shipyard Committees After the Armistice

With the signing of the Armistice, and even shortly before, shipyard owners began to raise the question as to how they were to handle labor relations when the board went out of existence. Both owners and union representatives recognized that shipbuilding was one of the war industries that would be most affected by the declaration of peace. It was finally decided, at the request of the parties concerned, that the board would continue in existence until April 1, 1919, the date of expiration of the "blanket award." In the meantime yard owners and employees were to work out <sup>3</sup>some means of dealing with questions affecting workers.

As a result of conferences with representatives of the union beginning shortly before the Armistice, the Bethlehem Shipbuilding Corporation signed an agreement with the metal trades department of the American Federation of Labor January 7, 1919. This agreement affected 75,000 workers in plants along the Atlantic Coast. The company recognized the metal trades unions as a "suitable-

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1. and 2. Codification p. 241.  
3. History, p 61.



agency to represent its employes in questions arising as to wages, hours of labor, and general working conditions." The metal trades department was authorized<sup>1</sup> by each union which was a member to enter into an agreement with the corporation. All questions arising between the unions and the company were to be settled by a committee of ten, five representing each side. Shop committees similar to those organized by the Shipbuilding Labor Adjustment Board were to handle local grievances and committees might request the presence of a union officer at hearings.<sup>1</sup>

The question of a union agreement was brought up with the Atlantic Coast Shipbuilders Association, which included most of the Gulf yards. Nineteen of the thirty-four yards in this association became parties to an agreement with the metal trades department. Shop committees were continued to handle local grievances.<sup>2</sup>

An effort was made in 1919 to bring the Great Lakes Shipbuilders into association with the Atlantic coast employers or into a separate agreement. This failed because builders on the Lakes preferred to maintain their own identity. The largest ship builders opposed nationwide affiliation as well as an association of Lake builders. Many owners had come to the conclusion that shop organizations could handle industrial relations more successfully than international union officials. Employees

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1. History, pp. 85,86, for text of agreement.

2. Same, pp. 86,87.

of the Lakes yards were organized and shop committees consisted of union men but were not considered union committees. After the Armistice, officials were favorable to their continuance, but not if the unions were displaced. One shipbuilder, the largest on the Lakes, signed an agreement similar to the Bethlehem agreement,<sup>1</sup> but no others followed his example.

On the Pacific coast the ship workers were on strike at Seattle and around San Francisco at the time of the Armistice. This controversy was settled eventually but no general agreement was reached in these yards. Shop unions similar to those in the Columbia River yards were installed in several plants by employers, who evidently desired to discontinue union agreements. One, the Union Construction Company, had been a party to the Shipbuilding Labor Adjustment Board agreements.<sup>2</sup>

None of the shop committees in the East were particularly active following the signing of the agreements in 1919, the board noted, but such workers' organizations did handle post-Armistice difficulties.<sup>3</sup>

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1. History, p. 88.

Shop Committees in Relation  
to Shipbuilding Labor Policy

The Shipbuilding Labor Adjustment Board dealt with conditions of labor directly growing out of the war emergency to a greater extent than any other government labor agency. Not only labor conditions, but the development and expansion of the industry itself were the result of war necessity. Other agencies, organized to meet war emergencies, found that labor difficulties were of long standing and that these conditions affected production in normal times perhaps as greatly as during the war. Production in normal times, however, was not of importance to the government.

Shop committees in the shipbuilding labor program were merely incidental pieces of administrative machinery, used to handle local grievances, there is every reason to infer from a study of the Shipbuilding Labor Adjustment Board reports. Many features of this machinery were "Obviously an outgrowth of fortuitous circumstances in the development of war-time shipbuilding policy," to quote Mr. Hotchkiss and Mr. Seager.<sup>1</sup> For this reason, they point out, it is difficult to draw any general conclusions from the operations of these shop committees.

The outstanding source of dissatisfaction in the shipbuilding industry was wages and other points of difference seems almost infinitesimal in comparison with the complex questions that had to be settled in

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1. History p. 92.

determining wage scales. With this question, shop committees had practically nothing to do. As the work of the board went on, its members became more and more convinced that the remedy for the wage situation was not local determination, but a standard wage for the entire industry. This was established in the "blanket award" of October 24, 1918, which also established standard working conditions, including shop committees. With the scarcity of skilled labor and the imperative demand for ships, the most serious factor in slowing down of the government's program was the constant shifting of workers from yards with less desirable to those with more desirable wages and working conditions. Since all production was for the government, the board could see no reason why a uniform standard should not be adopted.

Conceptions concerning the functions of the board changed during its months of operation. At the time it was organized, it was assumed that the yards would be interfered with as little as possible and that the board would serve only in a judicial capacity in the settlement of disputes. This was found to be impracticable, as such procedure seemed to put a premium on disputes.

In its second phase the board was a legislative body, extending its rulings from one yard to an entire industry, in an effort to prevent disputes such as had arisen in its early negotiations. The Administrative function of the board developed from necessity and was not contemplated as a part of its duties. Rulings, how-

ever , were of little use unless they were put in effect. and owners and workers in yards where there was no system of joint negotiation needed help to work out conditions. Shop committees were the logical means of bringing workers<sup>1</sup> into contact.

The whole tendency in the board's policy was away from local representation. As first organized, representatives of local shipyards and workers involved in a controversy were called in for the hearings. After the experience on the Pacific coast, however, this provision for local representation was dropped in the interests of obtaining quicker action. In considering the policy of the board in retrospect, Mr. Hotchkiss and Mr. Seager consider the lack of representation for yard owners as an "essential defect" in the organization of the board. At the time, they say, it was impossible for yard owners to chose a representative for the board because of their unorganized condition. No ship owner could have been named who would have been considered satisfactory to all sections of the country. Organized labor prevented this difficulty in naming a workers' representative.<sup>2</sup>

The functioning of shop committees was limited by the industry-wide agreements and by the union situation as well. Employers in the beginning opposed the organization of shop committees because they feared it would lead to unionization of the yards, and so the board omitted provisions for such committees from early awards.

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1. History, p. 58. 2. Same, pp. 61, 62.

In such yards unionization proceeded rapidly, owing principally to the orders for non-discrimination against union men, and it became the custom for union officials to represent the workers. Employers reversed their attitude when these results were evident and union leaders, who had welcomed shop committees earlier, became the object-<sup>1</sup>ing parties.

In spite of the limitations on function resulting from the national agreements, the complex difficulties arising out of the war and shortage of labor gave the shop committees questions to deal with as important as any confronting committees with much wider powers in normal times.<sup>2</sup> They served as a modifying agent both for unreasonable employers and unreasonable union officials. Even union committees were apt to resent certain kinds of union dictation.

In concluding the discussion of shop committees, the two historians of the board believe that they represented "clearly a distinct advance" in organizing relations between employers and workers in that all employees were eligible to deal directly with the management without rely-<sup>3</sup>ing exclusively upon outside agents. They further consider shop committees as "probably one of the most constructive results of the board's activities," citing the fact that shop committees were continued in the voluntary agreements made in 1919. This indicated, they believed, that shop representation had become an essential in industrial relations in the industry.

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1. History, p. 63. 2. History, p. 66. 3. Same.

### C. The War Department.

Three phases of the War Department's multitudinous activities in labor adjustments are of interest to this study: the new policy in the arsenals; experience with private owners of munitions plants which were engaged in government contracts; and the organization by army officers of employers and workers in the lumber industry of the Northwest.

Altho the War Department had had little to do with labor problems before the beginning of the World War, at the time of the Armistice it had become a "dominant factor in the industrial and labor situation of the country. Its employees, direct and indirect, included the majority of all industrial workmen of the country. Its functions and activities included not only the adjustment of disputes, the fixing of wages and hours in many industries, but intimate contact with such relevant subjects as housing, employment management, community management etc."<sup>1</sup>

All of the activities, except with the industries mentioned in the first paragraph, were carried on through agreements with organized labor through various boards and commissions making use, for the most part, of trade union machinery. The War Department's position was defined in the agreement between Secretary Baker and Samuel Gompers creating the National Cantonment Commission for handling disputes arising in connection with war time

construction. Union conditions, except the closed shop were accepted as a basis of negotiation. The closed shop was not a union condition, it was ruled, altho a contractor who wished to maintain a closed shop was free to do so.<sup>1</sup>

The chief of ordnance, in General Orders No. 13, November 15, 1917, issued as suggestions for careful consideration by arsenal commanders and war contractors, defined the department's position in regard to wages, hours, working conditions, maintenance of existing conditions, and safeguards. The quartermaster-general issued orders to the same effect.<sup>2</sup>

The following recommendation took care of collective dealing:

Sec. IV. Negotiations between employers and employees.

"The need of preserving and creating new methods of joint negotiations between employers and groups of employees is especially great in the light of the critical points of controversy which may arise in a time like the present. Existing channels should be preserved and new ones opened, if required, to provide easier access for discussion between an employer and his employees over controversial points."<sup>3</sup>

Altho an adviser on labor problems was attached to the Secretary of War's office from the time war was declared, during the first six months of the conflict the department depended largely on the Department of Labor for the settlement of disputes. The job of handling its own labor difficulties was assumed by the de-

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1. War Department, Report on Industrial Relations, pp. 10, 11, 12. Appendix p. 73.

2. Same, p. 9

3. Same, also Appendix p. 68.



partment, beginning about September, 1917, as a "necessary consequence of the increasing exigencies of the war situation." Employers retained their peacetime attitude toward the Department of Labor and did not feel called upon to accept its recommendations in all cases, with a resulting loss in production for the War Department. When the War Department took charge, the "rapidly developing war psychology of the people had brought the country to the point where no manufacturer or no association of men could lightly refuse to take such action as the War Department officially requested."<sup>1</sup>

Because of the organization of the War Department, labor agencies functioned through different bureaus, rather than as one office.

#### Shop Committees in the Arsenals

Shop committees in the arsenals had been in existence long before the war. The working forces there were civilian, under the Civil Service, with an army officer in command. Skilled employes were organized in trade unions affiliated with the American Federation of Labor and unskilled workers partially organized and likewise affiliated with the federation. Hours and wages, the latter at the prevailing rates in the community for similar work were fixed by Act of Congress.

The usual method of handling requests for increases in wages was for the commanding officer to appoint a

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1. War Department, Report on Industrial Relations, p. 27.

wage board composed of arsenal officials and for employees to appoint a committee, both to investigate wages in surrounding plants. The recommendations made by the boards, if approved by the commanding officer, were transmitted to the chief of ordnance for action.

Rapid increases in wages in private industries and competition for labor, among other causes, made revisions of pay necessary in both arsenals and navy yards early in the war, and the old methods of handling wage revisions seemed too cumbersome to meet changed conditions. An Army and Navy Yard Wage Commission was appointed to establish a new scale.

While the scale went into effect for Navy yards generally, it was believed by the War Department representative on the commission that better results for the arsenals could be obtained through hearings at each plant, rather than by a general decision from Washington. Captain B.H. Gitchell (later Major Gitchell and head of the Industrial Service Section of the Ordnance Department) was detailed to visit the various plants. He conducted hearings and obtained agreements between commanding officers and representatives of the workers in every case.<sup>1</sup>

Arsenals had not been free from strikes and conditions in the Rock Island, Ill., plant, where piece rates

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1. War Department, Report on Industrial Relations, pp. 24, 25.

were an issue, attracted wide attention. Strikes continued here until the men in one plant chose their own foremen. They also demanded that piece rates should not be set without the consent of the workers.<sup>1</sup>

Wages in the arsenals throughout the war were handled through plant agreements. No changes were made in relations with trade unions but in some plants committees representing the entire plant were organized.

The industrial service section of the ordnance department had been functioning principally in regard to private munitions plants with government contracts and was dissolved immediately following the Armistice.<sup>2</sup>

However, industrial relations in the arsenals, changed as they were by the war, were considered of so much importance that the industrial service section was reestablished April 3, 1919 as part of the executive section, office of the chief of ordnance. Office order No. 620 defined its duties:

"It shall be the duty of the industrial service branch to develop administrative mechanism within and without industrial plants for dealing with the relations between employer and employees to the end that proper treatment of employees as to pay and working conditions may be assured, production increased, and loyalty promoted."<sup>3</sup>

The order further stated that this section of the ordnance department should advise the chief of ordnance on all matters pertaining to labor, administer laws regu-

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1. Conditions in the Rock Island Arsenals. Report No. 4 National Association of Corporation Schools (now called National Association for Corporation Training.)
  2. War Dept., Report on Industrial Relations. p. 58.
  3. Same, p. 59.

lating production in private plants, and maintain relations between its work and all other departments interested.

In a later statement the chief of ordnance declared that "as a great manufacturing plant maintained for and by the people of the nation, there rests on it (the ordnance department) the obligation to develop the most effective organization and the best modes of procedure. In industrial relations this could be done best by consolidating the gains of the war and taking up the slacks that always occur when human beings work together for a common purpose." Commanding officers, he stated, should feel free to make use of conferences with trade union officials and when such conferences developed decisions affecting more than one plant, union men should be requested to present the matter to the national officers, that it might be taken up with the chief of ordnance through the industrial service section.

Most of the committees in existence in arsenals were either too small or too large for effective operation. Committees in existence, however, should be preserved and the experience gained through their operation used in formulating more effective plans.<sup>1</sup>

The arsenals are the only example of shop committees instituted in government-owned industries during the war. Employees' councils which are now in operation in the Postoffice Department were not instituted until 1921.

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1. War Dept., Report on Industrial Relations, pp. 59-60.

The Russell Sage Foundation plans to publish a detailed study of employe representation in the arsenals similar to those comprehensive reports on the Colorado Fuel and Iron Company, the Minnequa Steel Works, and the Dutchess Bleachery. This should supplement in a most valuable manner the somewhat general statements of the plan which are available in government reports.

The War Department and Privately  
Owned Munitions Plants

Privately owned munitions plants, operating on government contracts, developed some of the most acute problems of war-time industrial relations. The industrial service section of the ordnance department was organized in the summer of 1917 primarily to take charges of all questions of wages, hours, working conditions, and adjustment of labor disputes in these plants, altho the arsenals gradually came under its authority.<sup>1</sup>

Almost from the beginning, the War Department was faced with opposition to its labor policy from these employers, especially the New England group. The Secretary of War, in an official statement November 21, 1917, directed particularly to munitions manufacturers in Connecticut, asked that they and other manufacturers enter into an agreement with the War Department to settle labor disputes threatening to delay and decrease production.<sup>2</sup> A labor disputes clause to this effect had been introduced

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1. War Dept., Report on Industrial Relations, p. 58 .

2. Same, p. 9.

into certain contracts earlier in 1917, altho certain manufacturers insisted it be kept secret because of the encouragement it might give to labor to increase its demands. Employers had opposed government interference, it was pointed out, either because they desired to handle labor problems in their own way or because they feared the government would introduce methods of settlement more radical than they desired.<sup>1</sup> Open shop manufacturers insisted that if permitted to deal with workers in their own way, they could win such decisive victories from the unions that production should be increased.<sup>2</sup> The Secretary of War, however, considered it necessary to issue his warning in November. In one case where the government endeavored to let management and workers fight it out, the sides were too evenly balanced to permit a quick decision.<sup>3</sup>

The Secretary of War declared in his letter that workers could not be asked to give a "continuous and accelerated" supply of munitions with no strikes, unless they were assured by the government of machinery to settle questions which previously had been settled by trial of strength between the two parties. He denied any attempt to interfere needlessly with employers or to institute radical changes:

"It is no part of my purpose to interfere needlessly with the relations between you and your employes. The War Department has no theories

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1. Same, pp.29-31. 2. Same. Same, p. 31.

"to exploit and no other purpose except the one which I hold in common with you and your workers, to see that our armies in the field are not disappointed and rendered powerless in the presence of their adversary through the failure of the necessary supplies for the procurement of which contracts with you are made."<sup>1</sup>

The two main sources of unsettled difficulties were the Smith and Wesson plant at Springfield, Mass., and the munitions and allied plants at Bridgeport, Conn. In the first plant, autocratic control of industry and a closed-to-union shop had been the policy for many years. Problems in Bridgeport were accentuated by inadequate housing, the immense congestion of workers, and the acute difficulties connected with the dilution of unskilled labor. The cost of living increased rapidly. Aggressive labor concentrated here because of the work offered by government contracts.<sup>2</sup>

Employers in the Springfield plant and workers in Bridgeport proved to be the unreconcilable parties and the War Department through its conciliation agencies could reach no satisfactory agreements. When the National War Labor Board was organized in the spring of 1918, the two cases were turned over to it for settlement.

The grievances in the privately owned munitions plants had to be settled individually by the department because no standard conditions existed for the industry.

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1. Same, p. 9.

2. Wolf, A.B., Works Committees and Joint Industrial Councils, p. 24  
War Dept. Report on Industrial Relations, p. 32.

making a blanket agreement such as covered construction of cantonments impossible. This was owing to widely differing wage scales in separate localities and to a greater extent to the differing relations between employers and the metal trades unions.

In some non-union localities, wages were high and conditions satisfactory and in others the struggle between the unions and employers had become so bitter that any general compromise was out of the question.<sup>1</sup> It was in these instances that non-union shop representation was suggested as a remedy.

The War Department and the  
Lumber Industry in the Northwest.

Pre-war grievances, rather than war conditions were responsible largely for the labor disturbances in the lumber camps of Washington, Oregon, and Idaho, as has been pointed out in an earlier section. The late Dr. Carleton H. Parker, appointed a government mediator, wrote in 1917: "It is a strike to better conditions. The I.W.Ws. are only a display feature. The main body of opinion is from a lot of unskilled workers who are sick of filthy bunk houses and rotten grub."<sup>1</sup> The Secretary of Labor, after investigating conditions in the camps, insisted that membership in the I.W.W. did not denote adherence to the organization's ideals. The I.W.W., he said, provided the only means of "groping fellowship" in the camps.<sup>2</sup>

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1. From a letter quoted in Parker, Cornelia Stratton, *An American Idyl*, p. 138.

2. Sixth Annual Report of the Secretary of Labor, p. 22.



The strike of the summer of 1917 had ended in disaster for the workers and they were expressing their resentment at unchanged conditions by striking on the job. The operators maintained their "bitter and uncompromising" attitude toward the timberworkers' union and the men were satisfying their desire for organization by joining the I.W.W. The outcry against the I.W.W. as an unpatriotic organization was strong and it seemed impossible to gain any attention for unsatisfactory conditions under which thousands of migratory workers lived. The need for spruce, a product of these camps, for the construction of airplane propellers made settled conditions a necessity.<sup>1</sup>

The War Department, through the industrial service section of the aircraft production division, demanded immediate action when 20,000 soldiers were sent west in the summer of 1917 to join the lumbermen already in the field to cut spruce for the government. Labor relations were put in charge of Colonel Bryce P. Disque. It was expected that the troops would protect government interests and stabilize labor conditions.

Labor unrest focussed itself upon the demand for the 8-hour day, which prevailed throughout the Pacific coast except in the lumber industry. Operators insisted that they could not meet competition with southern mills if they granted the 8-hour demand. Operators, the

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1. War Dept., Report on Industrial Relations, pp. 44, 45.

Secretary of Labor declared, based their refusal to meet any of the demands of the men on the "academic fear" that if they granted just demands, the workers would then ask unreasonable and impossible conditions.<sup>1</sup>

The Loyal Legion of Loggers and Lumbermen was Colonel Disque's creation, including at first 70,000 operators and workers and later increasing the membership to 90,000. It was in effect, the War Department declared, a government union composed of employers and workers, organized into local and district councils, with insignia (comparable to the union button) and conventions. The idea of local settlement of questions involved, that is between workers and operators in a single plant, was no part of this scheme, except for purely local grievances. The organization was sponsored by the War Department and approved by the Secretary of War.<sup>2</sup>

Colonel Disque called a convention of the lumber industry in Portland. A resolution placing entire control of labor problems in the lumber industry in his hands was passed unanimously and the delegates present pledged support to any of his orders. His first orders called for:

1. The 8-hour day and time and a half for overtime.<sup>3</sup>
2. 48-hour week with all employes on the job. Two of three shifts instead of working crews overtime.

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1. Sixth Annual Report, p. 22.  
 2. War Dept., Report on Industrial Relations, p. 45.  
 3. Dr. Parker wrote that the 8-hour day had been "jammed through." American Idyl, p. 170.

3. Clean bedding in the bunk houses furnished by employers at \$1 a week. No free board except to cooks.

These were the most essential orders and with these changes, especially the 8-hour day and cleaner camps,<sup>1</sup> conditions rapidly improved.

The timberworkers' union, affiliated with the American Federation of Labor, began organization activities in 1918 which were opposed by Colonel Disque. The union, in his opinion, had failed, and organization at that time would arouse discontent where none had existed. The union protested to the Federation of Labor. The matter was under discussion with the War Department when the Armistice was signed.<sup>2</sup>

#### D. The United States

##### Fuel Administration

Mine committees, composed of employees from each mine belonging to a single company, were introduced as part of the labor adjustment machinery in the non-union West Virginia coal fields by the Maryland and Upper Potomac agreement signed by operators and miners and negotiated by the U.S. Fuel Administration May 6, 1918. The Fuel Administration was established August 23, 1917 but did not begin to function until September 1.

Serious labor difficulties had existed in the West Virginia field from the beginning of the war, with no precedent existing for negotiations between workers

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1. War Dept., Report on Industrial Relations, pp. 45, 46,  
2. Same, p. 47.

and operators. Earlier agreements between operators the the United Mine workers and the Fuel Administration stabilized conditions in the Central Competitive Field and in Alabama, where the union was rapidly increasing its strength.<sup>1</sup> The Alabama agreement called for committees from each mine,"elected from and by the workers at each mine," to deal with matters not settled by the Alabama Coal Operators' Association and the mine workers of Alabama.

For non-union operators, the Fuel Administration served as an intermediary through which they could confer with their workers without recognizing the union in any way, as they felt they would have done if they had conferred even with their own employees as a group. Non-union mine operators were committed absolutely to the policy of individual dealing with their miners.<sup>2</sup>

The Maryland and Upper Potomac agreement formed the basic settlement for non-union fields for the duration of the war. It was strengthened by a second agreement signed at Washington July 23, 1918 which reiterated its provisions and further stipulated that after that date all labor adjustments in coal mines should be settled by the Labor Bureau of the Fuel Administration, created at that time by joint agreement of the United Mine Workers

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1. For Central Competitive Field agreement, October 6, 1917; Southeastern Kentucky and Tennessee, September 29, 1917; Alabama Coal Operators Association and Mine Workers of Alabama, December 14, 1917, see Final Report of U.S. Fuel Administration, Part II, p. 209 ff.

2. Final Report, Part II, p. 55.

and the Fuel Administration. Rembrandt Peale, Pennsylvania coal operator, and John P. White, former president of the United Mine Workers were appointed heads of the bureau.<sup>1</sup>

The labor situation in the coal fields included in the Maryland and Upper Potomac agreement is too well-known to require any comment here. In this connection it is sufficient to say that from a study of Fuel Administration policy, no settlement of grievances to the extent necessary to assure requisite war production of coal was believed possible in these mines without the changes in labor policy granted by this agreement. Provision was made for committees from each mine, elected by men employed there. A written notice of elections was to be posted and voters were to use a sealed ballot.

The duties of the committees were confined to the adjustment of disputes which superintendents or mine foremen and employes had been unable to settle. The dispute might be referred to the management and, if not settled satisfactorily, an appeal could be made to the Fuel Administrator, Dr. Harry S. Garfield. Workers were guaranteed the right to join any labor organization they chose.<sup>2</sup> The labor department of the Fuel Administration insisted upon both miners and operators exhausting all machinery for making adjustments before appealing to its administrators. No recognition of trade unions was

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1. Final Report of the U.S. Fuel Administration, Part II, p. 214.

2. Same, p. 213.

to be exacted during the war, since union recognition had never been granted in this field. Miners, however, were granted the right to use all peaceful methods of organization and there was to be no discharge for union membership.

Situations were continually arising in the coal fields, Dr. Garfield pointed out, that in ordinary times <sup>1</sup> could have resulted in strikes. A few strikes occurred, but these were "sporadic, local, and of short duration," Altho labor was constant in its demands, the demands of the operators representing capital were constant and the problems they presented were "no less difficult than those of labor." The situation was held steady by the <sup>1</sup> "common object of the war. I

When the "common object of the war" was eliminated by the Armistice, miners and operators were less and less willing to cooperate with the Fuel Administration, the Labor Bureau noted in its final report. After the industry had been keyed up to the greatest production record in its history, the need for this production ceased suddenly, and a condition almost of stagnation ensued.

Both sides wished to alter conditions. Miners were protesting against presenting all grievances to arbitration boards and operators, who had been paying

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1. Final Report, Part II, p. 34.

bonuses for production against the rules of the Fuel Administration, were anxious now to cut wages to decrease costs.<sup>1</sup>

The Fuel Administration called a conference of representatives of the National Coal Association and the United Mine Workers at Washington February 11, 1919 but little came of it since operators and miners had lost interest in cooperative methods developed during the war. The Fuel Administration, organized to meet a war emergency and creating labor machinery to handle labor difficulties as they arose, toward the end of its existence adopted a policy which called for agencies to bring about continued cooperation between operators and miners. After the Armistice the bureau of labor was insistent that it be retained in order to prevent a demoralization of the industry which had been speeded up to maximum production. The resumption to normal, it was believed, should be a gradual process.<sup>2</sup>

The Fuel Administration was dissolved formally June 30, 1919, owing to lack of interest and lack of appropriations.<sup>3</sup> The outbreak of the bituminous coal strike in the fall of 1919 led to a request from the government that the Fuel Administration resume its functions and Dr. Garfield was active in attempting settlement of the strike. Because of the threatened shortage of coal

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1. Supplementary Report of the Labor Bureau, in Final Report, Part II, p. 219.  
 2. Same, p. 218.      3. Same, p. 9.

war conditions in the industry were restored.<sup>1</sup> In December, 1919, the strike was settled contrary to the principles laid down by the Fuel Administration and Dr. Garfield resigned.<sup>2</sup> The duties of the Fuel Administration were transferred to the Department of the Interior.

The Maryland Agreement was renewed in 1920 and affected between thirty and forty non-union coal companies in the West Virginia field.<sup>3</sup>

#### E. The United States

##### Railroad Administration

Shop committees for railroad employees were established by order of the Director-General of the United States Railroad Administration, in an effort to provide a method of adjusting grievances between operators and unorganized workers, a familiar problem with other government boards. The strongest railroad unions were the brotherhoods of engineers, firemen, conductors and trainmen, and yardmen, which had signed agreements for wages, hours, and working conditions with railroad operators for many years.

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1. Final Report, pp. 14, 15, 16.
  2. Same, p. 19.
  3. For all orders of the Fuel Administration, including those after Dr. Garfield's resignation, see General Orders, Regulations, and Rulings of the U.S. Fuel Administration, January 1, 1919, with supplement containing all general orders, July 22, 1919 to March 20, 1920, compiled in the office of the Secretary of the Interior.

For coal companies parties to the Maryland Agreement in 1920, see National Industrial Conference Board, Research Report No. 59, Appendix.



Although the President was empowered by the Army Act of 1916 to take over the operation of railroads in time of war,<sup>1</sup> the roads did not come under government control until December 26, 1917. Apparently every opportunity was given the carriers to provide adequate service for war emergencies and to settle labor difficulties without interference from the government. When the railroads failed to meet government demands for service, the Railroad Administration was authorized by the President. William G. McAdoo was appointed director-general of railroads.

The brotherhoods were on the verge of a strike in March, 1917, following the refusal of the carriers to put the Adamson 8-hour act into effect until its constitutionality had been passed upon by the U.S. Supreme Court. This was only one of the causes of unrest among railroad labor. Another affecting the situation was the belief on the part of railroad employes that bankers, rather than railroad operators, were in control of labor relations.<sup>2</sup>

A committee of the Council of National Defense acted as an arbitrator in the dispute over the Adamson act and decided that the carrier should grant a wage increase and put the act in operation at once.

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1. Watkins, P. 21. Also Act of Congress for Army Appropriations, 1916. Public Document No. 242, 64th Congress, H.R. 17,498.
  2. Labor Results of Federal Railroads, Annual Report of the Director-General, 1919. U.S. Monthly Labor Review, Vol. VIII, p. 908 ff.

Railroad wages, the workers charged, were falling below the cost of living. This committee later became Adjustment Board No. 1.<sup>1</sup>

This award, however, failed to allay the unrest existing among other classes of railroad labor because the Adamson act did not apply to more than 20 per cent of railroad employees. Workers outside the brotherhoods were convinced that those who were not union members were being unfairly treated by the carriers. When wages began to rise in war industries, whether through government awards or voluntary action by employers, the lower paid railroad workers began to leave the service for more highly paid jobs. The loss of railroad labor was becoming a serious problem in December, 1917, and was one of the immediate causes leading to government control.<sup>2</sup>

The Director-General appointed a wage commission January 18, 1918 and on February 9 an order creating a bureau of labor was issued. The labor bureau was created, the Director-General stated in his first annual report, because the administration was familiar with the alarming situation in railroad labor and was determined to restore harmonious relations between workers and the roads, thereby increasing efficiency.<sup>2</sup> Railroad workers were protected in their right to join unions by a provision of General Order No. 8, February 9, 1918.

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1. Bernhardt, Joshua, The Railroad Labor Board. Institute for government Research, Service Monographs of U.S. Government, No. 19, p.34 ff.

2. Same, p. 35. 3. U.S. Monthly Labor Review, VIII, p. 908, ff.

The organization of shop committees among railroad employees proceeded rapidly after the publication of General Orders No. 13, March 22, 1918, which officially approved that method of settling difficulties arising from agreements made through joint action. Railroad Board of Adjustment No. 1 was established and superseded all other boards. It dealt with questions arising out of the application of agreements between the railroads and members of the "Big Four." The Director-General ruled:

" All controversies growing out of interpretation or application of the provisions of wage schedules or agreements in effect, which were not promptly adjusted by the officials or employees on any of the individual railroads under Federal control, and all personal grievances or controversies arising under interpretation of wages and all other disputes arising between officials of a railroad and its employees were to be handled in the usual manner by the committees of employees and the officials of the railroad up to the chief operating officer of the railroad or some one appointed by him."

If no adjustment could be made by the committees, the matter was then to be taken to the Railroad Administration.<sup>1</sup>

Adjustment Board No. 2 was created May 31, 1918 to take care of controversies arising between the roads and the shop employees, including the members of the International Machinists' Association, the Boilermakers and Iron Shipbuilders Union, the International Brotherhood of Blacksmiths and Helpers the Railway Carmen, the Amalgamated Sheet Metal Workers, and the International

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1. U.S. Monthly Labor Review, VIII, p. 909.

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Brotherhood of Electrical Workers. These workers composed the "shop crafts" involved in the strike in the summer of 1922. The third adjustment board was not established until November, 1918, and was designed to take care of the interests of telegraphers, switchmen, clerks, and maintenance of way employees. The adjustment boards consisted of four persons selected by the regional directors of the Railroad Administration and paid by the roads and four selected and paid by employees.

After the non-discrimination order was issued, union membership among all railroad employees increased rapidly. Representatives on employees' committees were to a great extent union men. They were considered, as in other cases mentioned, not as representatives of the union, but as employees of a particular road, altho there was no ruling to that effect. In reality, employees were represented by organized groups and trade union officials before the adjustment boards.

A general Board of Railway Wages and Working Conditions was created by the Orders of March 22, 1918 and all basic agreements were made by this board. The boards of adjustment confined themselves to decisions on controversies arising out of special applications of wage schedules and other questions decided by the general board. Railroad shop committees were even more limited

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1. Bernhardt, p. 38.

2. U.S. Monthly Labor Review, VIII, Note to p. 920, Statement of W.G. McAdoo to Interstate Commerce Commission, January 13, 1919.

3. Annual Report of Director-General of U.S. Railroad Administration, quoted in Bernhardt, p. 36.

4. Same p. 37.

in function. Their duties were purely local. They dealt with individual difficulties arising out of the application of the adjustment board's awards and served as agents for the settlement of personal grievances. The adjustment boards were the final courts of appeal for grievances of this kind.

It must be kept clearly in mind that the railroad shop committees, like all others established by government agencies, had no part in making basic agreements. The vital provisions of the agreements, including wages, hours, and working conditions were decided for all railroads under Federal control by the Board of Railway Wages and Working Conditions.

While the Railroad Administration was in control, the whole policy was toward standardization of wages and other conditions of railway labor. "But for the possible early return of the railroads to private control," The Director-General declared in an annual report, "it could be safely said that the logical conclusion of the work of the present board of railroad wages and working conditions would be standardized rates, and other standardized conditions of employment for all employed under Federal control." <sup>1</sup> There had been a general recognition of the 8-hour day for railroad employes and rules for administration of discipline and maintenance of seniority principle for more than a million employes.

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1. U.S. Monthly Labor Review, VIII, p. 210

The Board of Railway Wages and Working Conditions continued in existence until the Transportation Act of 1920 established the U.S. Railway Labor Board.<sup>1</sup> The boards of adjustment were dissolved December 9, 1920. The operators contended the boards were no longer functioning, since the Railroad Administration had been settling all questions formerly within their jurisdiction for some time.<sup>2</sup> All old agreements were abrogated in an order of the new board dated April 4, 1921. Owing to economic changes resulting from the war, deflation of wages would be a necessity, the board declared.<sup>3</sup> Operators and representatives of employees were directed to confer and decide as to new conditions to take effect after July 1, 1921. The board laid down sixteen fundamental rules for negotiations, including one giving employees the right to organize for lawful objects without denial, interference, or obstruction.

Upon the abrogation of old rules, the Pennsylvania Railroad immediately announced its new system of employee representation, through which the road would deal only with its own employees. The controversy before the board was bitter and ended in a final appeal to the U.S. Supreme Court.

Railroad employees generally charged that the roads were unwilling to make agreements with organized labor and were antagonistic toward all unions. The whole controversy culminated in the strike of the shopmen in 1921, which will be discussed in some detail in a later section,

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1. Bernhardt, p. 40. 2. Same, p. 45.

F. The National War Labor Board,

April 8, 1918 to August 20, 1919.

Shop committees were adopted by the National War Labor Board as a means of establishing a system of collective bargaining in plants where trade unions were not recognized and where no system of representation was granted the workers. This action established shop committees as part of the national labor policy since the board's statement of principles and policies was issued as the official government program for the guidance of employers in private industry and was adopted by all government agencies.

The creation of the National War Labor Board by proclamation of President Wilson April 8, 1918 was no sudden action, but followed recommendations made by groups of employers, trade unionists, and government officials dealing with labor as early as September 1917. The government seemed reluctant to extend its activities in the actual settlement of disputes between workers and employers. Government labor agencies had been created or their powers extended to deal with disputes as they arose in essential industries, apparently with the hope that employers generally would follow the example of successful government policy and make further participation by the government as a labor adjuster unnecessary.

At the time the National War Labor Board was organized

some eighteen government boards were dealing with labor problems but many essential war industries did not come under the jurisdiction of any of them. Strikes in these industries were of frequent occurrence. As the war went on from month to month, more industries were included in the classification, essential to war production, such as street railways, food products outside the packing plants, steel plants not engaged in munitions manufacture, agricultural implement factories, newsprint paper plants, telephone and telegraph companies and others.

While no very striking differences in the policy of labor adjustment agencies developed, there was some conflict in recommendations and government officials on these boards were beginning to feel that they would be strengthened by a declaration of a single policy. Employers were irritated because they sometimes found themselves dealing with representatives of several government agencies either through misunderstanding or because of the various products made in one plant. Lack of a unified policy was considered one of the serious causes of continued labor unrest by the heads of production departments of the government who informally requested uniform action. <sup>1</sup>

Other causes of disturbance which had not been dealt with adequately were the shifting of labor owing to competition in war industries and the diversity in rates of wages; the lack of a satisfactory system of of

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1. History of the Formation and Activities of the National War Labor Board. Bulletin No. 287, U.S. Bureau of Labor Statistics, p. 7.



employment exchanges through which labor could be distributed according to a careful study of needs; inadequate housing in industrial centers; and wages which fell below the cost of living. Employers generally had not followed government acceptance of the cost of living index for wage increases. Strikes were increasing, in spite of government efforts, and production was decreasing in certain industries. Concerted action by government adjustment boards was urged as an important factor in stabilizing industry.<sup>2</sup>

The first recommendation for a Federal board to adjust labor disputes came from the National Industrial Conference Board, an organization representative of employers throughout the United States, which was submitted in response to a request from the Council of National Defense September 6, 1917. A conference of production heads of departments of the government was called in December which recommended "machinery which will provide for the immediate and equitable adjustment of disputes between labor and capital without stoppage of work."

When Secretary of Labor Wilson returned from the Pacific Coast in January, 1916, where he had served as chairman of the President's Mediation Commission, he presented this recommendation to the President. The mediation commission already had recommended officially a unified policy. Secretary Wilson was appointed labor administrator, following the presentation of the report,

to organize a labor administration according to the recommendations. As an outgrowth of his efforts, a National War Labor Conference Board was appointed, consisting of five employers chosen from the National Industrial Conference Board, five workers chosen by the American Federation of Labor, and two chairmen, representing the public. Ex-president William Howard Taft and Frank P. Walsh were named joint chairmen.

The following were appointed to the War Labor Conference Board and later became members of the National War Labor Board: Employers, E. Edwin Michael, Virginia Bridge and Iron Company, Roanoke, Va.; B. L. Worden, Submarine Boat Corporation, Newark, N. J.; W. H. Van Dervoord; L. F. Loree, Delaware and Hudson Railroad; Loyall A. Osborne, Westinghouse Electric and Manufacturing Company, Pittsburgh, Pa.; Labor, Frank J. Hayes, United Mine Workers; William L. Hutcheson, United Brotherhood of Carpenters and Joiners; William H. Johnston, International Association of Machinists; Victor Olander, International Seamen's Union; and Thomas A. Riekert, United Garment Workers. Alternates were appointed for each member and some changes made in personnel during the period of the board's existence.

The recommendations of this board as to principles and policies to govern labor in essential industries were accepted, including their recommendations for a National War Labor Board.

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1. History, pp. 9, 10, for organization and membership of the National War Labor Board.

The purposes of the board were set forth in the proclamation of the President which created it:

"The powers, functions, and duties of the National War Labor Board shall be to settle by mediation and conciliation controversies between workers and employers in fields of production necessary for effective conduct of the war, or in other fields of national activity, delays and obstructions in which might, in the opinion of the National Board, affect detrimentally such production; to provide by indirect appointment, or otherwise, for committees or boards to sit in various parts of the country where controversies arise and secure settlement by local mediation or conciliation; and to summon the parties to controversies for hearing and action by the National Board in event of failure to secure settlement by mediation and conciliation." 1

The primary purpose of the board was to obtain uninterrupted production. Changed methods in dealing with labor which grew out of the board's activities were entirely secondary. This purpose could be accomplished, it was decided, by the "removal of causes of interrupted production and by providing a means by which parties to controversies might continue their individual efforts in the knowledge that their differences would be adjudicated fairly and honestly on the basis of principles formulated by both sides and guaranteeing fundamental justice to both sides." 2

The following "principles and policies" were adopted by the board in an attempt to provide a body of industrial law which would govern decisions involving the labor question causing the largest amount of dissatisfaction:

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1. Report of the Secretary of the National War Labor Board to the Secretary of Labor for the Twelve Months ending May 31, 1919. p. 119.
  2. History, pp. 18, 19.

1. There shall be no strikes or lockouts during the war.

2. The right of workers to organize in trade unions and to bargain collectively through chosen representatives is recognized and affirmed. This right shall not be denied, abridged, or interfered with by employers in any manner whatever.

The right of employers to organize in associations or groups to bargain collectively through chosen representatives is recognized and affirmed. This right shall not be denied, abridged, or interfered with by the workers in any manner whatsoever.

Employers shall not discharge workers for membership in trade unions, nor for legitimate trade union activities.

The workers, in the exercise of their right to organize, shall not use coercive measures of any kind to induce persons to join the organization nor to induce employers to bargain or deal therewith.

3. In establishments where the union shop exists the same shall continue, and the union standards as to wages, hours of labor, and other conditions of employment shall be maintained.

In establishments where union and non-union men and women work together and the employer meets only with employes or representatives engaged in said establishments, the continuance of such conditions shall not be considered a grievance. This declaration, however, is not intended in any manner to deny the right or discourage the practise of the formation of labor unions or the joining of the same by the workers in said establishment, as guaranteed in the preceeding section, nor to prevent the War Labor Board from urging or any umpire from granting, under the machinery herein provided, improvement of their situation in the matter of wages, hours, of other conditions as shall be found desirable from time to time.

Established safeguards and regulations for the protection of the health and safety of the workers shall not be relaxed.

4. If it shall become necessary to employ women on work ordinarily done by men, they must be allowed equal pay for equal work and must not be allotted tasks disproportionate to their strength.

5. The basic-8 hour day is recognized as applying in all cases where existing law requires it. In all other cases the question of the hours of labor shall be settled with due regard to governmental necessities and the welfare, health, and proper comfort of the workers.

6. The maximum production of all war industries should be maintained and the methods of work and operation on the part of employers or workers which operate to delay or limit production, or which have a tendency to artificially increase the cost thereof, should be discouraged.

7. (A provision for the mobilization of labor through cooperation of trade unions, state and Federal employment agencies, and employers.)

8. In fixing wages, hours, and conditions of labor, regard should always be had to the labor standards, wages, and other conditions prevailing in the localities affected.

9. The right of all workers, including common laborers, to a living wage is hereby declared.

In fixing wages, minimum rates of pay shall be established which will insure the subsistence of the 1 worker and his family in health and reasonable comfort.

Mr. Walsh, in a statement issued shortly after the board was formed, said that its policies represented "the best thought of capital and labor as to what the policy of the government with respect to industrial relations ought to be."<sup>2</sup>

Nothing unfamiliar in government war labor policy appears in the board's program. The War Labor Board really codified what had become existing industrial law, growing out of the experience of other government agencies which entered the field earlier.

#### Shop Representation Introduced by the National War Labor Board

Shop committees were adopted by the National War Labor Board as a solution of the most difficult problem confronting it in the Administration of its awards: the provision of a method of collective bargaining in plants

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1. Report of the Secretary, pp. 121-123.
  2. History, p. 10.

where no system of collective dealing, union or plant, was in existence.<sup>1</sup> Although the first and most important of the War Labor Board principles, granting the right of workers to organize in trade union and to bargain collectively through chosen representatives, was adopted by agreement of employers' and workers' representatives, perhaps a majority of employers in the United States was unwilling to admit either. Especially were they unwilling to admit the right to bargain collectively through trade union representatives.

The organization of shop committees established non-union collective bargaining as recognized shop practise. Representation of workers no longer depended upon membership in a trade union. The War Labor Board, through its decisions, made the right to organize in trade unions and the right to bargain collectively two independent considerations. Hitherto collective bargaining, both to employers and workers, was a method of negotiation inseparable from trade union recognition and only trade union officials were considered agents for the workers. Employers and workers considered compromise impossible.

The National War Labor Board broke the deadlock by insisting that conferences between employers and workers in their plants, chosen only by plant employes, did not involve union recognition in any way, even if the workers' representative s happened to be union members.

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1. History, p. 25.

As workers' representatives, their primary duty was to speak for their own plant and not the union. The National War Labor Board found occasion to reiterate this last consideration in the case of employers who objected to meeting their own employees who were known to be union members. The joint chairmen declared, "the question is not whether they (the workers) represent the union. The question is whether they, being employees, represent other employees, and if that is the fact, their mere refusal to say that they do not represent the union or their admission that they do, does not imply a contract dealing with the union or any organization in the sense that the Labor Board understands the term. We think that due to the pride of the men in their union and organization, and the technical sensitiveness of the employer, many troubles have arisen that might have been avoided." <sup>1</sup> In meeting such committees the board declared that employers granted no union recognition.

Employers consistently held to their refusal to recognize trade unions. When the Federal government was taking the first tentative steps toward the creation of a general war labor board, the National Industrial Conference Board was requested to make recommendations. This group of representative employers advocated a Federal board to regulate industry during the war, provided the open shop principle was adopted, in the following terms:

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11. Report of joint chairmen in Omaha and Council Bluffs Street Railway Co., Report of Secretary, p.67.

Sec. 2. The guiding principle should be the fundamental American doctrine authoritatively stated by the anthracite coal strike commission, with the approval of both employers and the unions and recommended as a basis of industrial adjustments by Presidents Roosevelt, Taft, and Wilson. --- No persons should be refused employment or in any way discriminated against on account of membership or non-membership in any labor organization; that there shall be no discrimination against or interference with any employe not a member of any labor organization by members of such organizations.<sup>1</sup>

The Conference Board recommended that no changes should be demanded that would take advantage of the abnormal war-time conditions and urged that all standards of wages, hours, open or closed shop, and others in existence before the war be continued. Their concluding recommendations were:

Sec. 6. That the Council of National Defense request trade unions officials to join in a pledge to support such fundamental conditions. --- Reiterate in conclusion the necessity for recognizing one vital and primary principle. A government which cannot itself discriminate between citizens cannot tolerate a condition which encourages private organizations to compel such discrimination. Politically and economically such a policy spells disaster. It destroys responsibility of management which is vital and denied in our own democracy the basic principle of individual liberty and opportunity for which its citizens since the foundation of the Republic have shed freely of their blood and for which they are prepared to die on alien soil. <sup>2</sup>

The National War Labor Board, which must have had to listen to a great deal of impassioned oratory from both employers' and workers' representatives, held to its policy of non-union collective bargaining. Employers were not required to recognize trade unions, unless they had dealt with them before the date of submission of a controversy to the board. They must, however,

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1. History, p. 27. 2. Same, p. 28.



recognize and deal with committees chosen by their own  
<sup>1</sup>  
 employees.

Although all awards granting collective bargaining implied sufficient organization for the workers to select representatives, the board found that in many plants, such a system could not be established without help from outside. Especially was this true in plants where thousands of employees were involved who had had no experience in collective dealing. Rules of procedure were necessary, the secretary of the board declared in his report:

"Of course collective bargaining can be carried on regardless of any procedural rules laid down by the board if the parties in interest agree among themselves. But in a number of cases in which the parties did not agree as to the course to be followed, the board has established rules for collective bargaining between parties. The board, however, had not laid down an invariable rule as to the composition of the committees etc., which applies alike to all cases." <sup>2</sup>

Employers and workers in unorganized plants were "so completely at a loss" when it came to devising means of workers' representation that the board found it necessary to appoint administrators for certain large plants to put such a scheme in operation and to see that it continued to operate after it had been established. These companies "imperatively needed counsel with some one familiar with the processes (of collective bargaining.)" Administrators were sometimes obliged to spend months building up systems of representation of workers so that there might be the proper persons with whom to deal on  
<sup>3</sup>  
 behalf of employees.

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1. Report of Secretary, p. 56. 2. Same, p. 58.  
 3. History, p.

First Shop Representation  
Awards of National War Labor Board

The first shop committee system to be installed by the National War Labor Board was in the Pittsfield, Mass., plant of the General Electric Company. A workmen's committee had been in existence here before the case was submitted to the board but it was not regarded by the men as operating satisfactorily. A serious strike had been in progress and bad feeling existed between management and workers.<sup>1</sup>

The War Labor Board award<sup>2</sup> provided for a committee system more representative of the workers and stipulated that there should be no discrimination against joining the union. William Leavitt Stoddard, who later published a study of shop committees, was appointed examiner. Later similar shop committees were ordered installed in the West Lynn, and Taunton, Mass., plants of the General Electric, with a somewhat different arrangement for the Schenectady, N.Y., plant.<sup>3</sup>

The award in the case of the Philadelphia Rapid Transit Company was one of the first to provide definitely for collective bargaining. Members of the local branch of the Amalgamated Association of Street and Electrical Railway Employees were on strike and the

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1. Stoddard, William Leavitt, The Shop Committee, pp. 12, 13.
  2. Docket No. 19,7/13/18. Also Report of Secretary, p. 58.
  3. Docket No. 127.

case was brought to the board on the charge that the strike interfered with the transportation of war workers.. The company convinced the board that no such emergency existed but in the course of negotiations a plan of collective bargaining, with a comprehensive system of election for committees was worked out to comply with the board's principles. Under the Cooperative Welfare plan of the Philadelphia Rapid Transit Company, instituted by Thomas E. Mitten in 1911, union men were not discriminated against by the company. While workers' opinion was consulted on many matters, there was no recognized system of collective bargaining.<sup>1</sup>

A plan for shop elections was established under the direction of a government examiner in the Bethlehem, Pa., plant of the Bethlehem Steel Corporation. The management had plans for a system of workers' representation under way early in 1918 but before it was put in operation in all the plants, a controversy arose at Bethlehem which was referred to the War Labor Board.

Dissatisfaction among the men was so serious, in the opinion of the board, as to have a "detrimental effect upon the production of war materials." The chief cause of unrest was a bonus system so complicated that the board spent almost one-half the time of the hearings trying to understand it. Lack of a guaranteed minimum

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1. History, p. 297. Docket No. 442. Also Caske, John J.K., The Philadelphia Rapid Transit Company Plan, Annals of the American Academy of Political and Social Sciences, Vol. 85, p. 189 ff.

wage and the absence of any form of collective bargaining<sup>1</sup> were regarded as contributing causes.

In order to free the minds of the workers from suspicion, a statement of the purposes of the War Labor Board plan was incorporated into the award of October 9, 1918, as follows:

1. To give employes a direct voice in determining working conditions.
2. To provide a method of mutual bargaining between the company and chosen representatives of workers.
3. To provide a ready means of conference between employes and management either as groups or as individuals.
4. To provide an agency for the prompt adjustment of grievances.
5. To provide for the classification of employes, hourly rates, piece work rates, and the entire revision or elimination of the bonus system then in operation.<sup>2</sup>

A permanent local board of mediation and conciliation was part of the plan and shop committees were organized. A complete system of committees was put in operation April 3, 1919, with the help of the examiner who had been appointed to supervise the administration of the award.<sup>3</sup>

The famous "Bridgeport plan" was installed in 66 munitions plants in Bridgeport by the National War Labor Board in September, 1918 and voluntarily adopted by other concerns in the Bridgeport district. It had as its

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1. History, p. 143, Docket No. 22.  
 2. History, p. 143 ff.  
 3. Same.

## main features:

1. Employes' department committees of three, one committee for each group of workers under a foremen.
2. Employes' general committees for each plant, composed either of the chairmen of the department committees or an executive committee selected by these chairmen.
3. Representatives of the management appointed to deal with employe committees.
4. A local joint board of mediation and conciliation, composed of three representatives of employes and three of manufacturers.

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A War Labor Board administrator was in charge.

Events leading to the adoption of the Bridgeport plan will be discussed in detail later.

While the early plans were in process of formation and appeals to the board were accumulating rapidly, a supplementary statement of policy was issued, dated July 31, 1918. The Board called attention to its principles and to the application made of them and asked employers generally, whether or not they planned an appeal, to adopt its program. The statement further called attention to the abnormal conditions of industry and warned both employers and workers not to expect abnormal gains. As a reassurance to employers who contemplated the effect of government activity with some alarm, the board declared its intention of being "careful in its concussions not to make orders in this interregnum, based on approved views of progress in normal times, which under war conditions might seriously impair the present economic structure of the country."

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Not all shop committee awards specified the structure of the plan to be put in operation. Some were general, simply calling for election of committees to represent employees. In cases of disagreement, cases were to be brought before the board.<sup>1</sup> In other cases the board specified the matters with which the committees were to deal. Among these were hours, overtime, changes in minimum wages according to principles of specific awards, inequalities in wages among workers of the same class, discharges without sufficient cause, dilution of labor, holidays, apprentice systems, and in the Bridgeport case and some others, "matters not settled in the award."<sup>2</sup>

All basic decisions in the matters of wages, hours, and working conditions, it must be noted, were decided by the board in its awards, which were not granted, however, until after the contentions of both workers and employers were heard and the board's examiners had reported on the case. Shop committees were in effect grievance committees organized to handle matters which were not important enough to bring before the board and details arising out of the administration and application of the awards.<sup>1</sup>

Compared with some of the broad statements of powers granted to workers' committees in plants which installed employee representation on their own initiative,

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1. Report of Secretary, p. 59. Mason Machine Works, Docket No. 111, Virginia Bridge and Iron Co., Docket No. 47. Saginaw Machinists, Docket No. 147, Walworth Manufacturing Co., Docket No. 274.
  2. Growth of Employee Representation and Collective Bargaining, U.S. Monthly Labor Review, Vol. VIII, p. 769 ff.

the functions of the War Labor Board shop committees may seem limited. However there is little question that in actual operation employes participated more freely in settling questions of interest to them under the government-installed systems. In the case of plants outside labor board jurisdiction, company officials served in the majority of cases as final authority, altho some provision was made for arbitration by disinterested persons. Under the War Labor Board plans, the board was always in the background as a court of appeal independent of any company influence. The confidence of workers in the board was illustrated by their freedom in presenting complaints. Of the total number brought before the board, directly by the parties interested, 88 per cent were made by workers or workers' organizations.<sup>1</sup> Shop committees were organized as a result of their appeals and were used to present further grievances.

#### Opposition to the Policy of the National War Labor Board

Although the somewhat revolutionary labor policy of the National War Labor Board had been approved by employer members who were not accustomed to dealing with trade unions, nevertheless it could hardly be expected that all employers would accept such changes without protest, even when these changes were presented as a method of war expediency.

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1. Report of the Secretary, p. 11.

While the Secretary of Labor considered that the board<sup>1</sup> was producing "historic and desirable" changes in the relations between employers and workers, employers were objecting so strenuously to accepting these changes that the government was forced to take over certain plants and operate them in order to uphold its authority. No legal means of enforcing the board's authority had been provided. These employers and many others could not concede that the "recognition of the right of collective bargaining admitted that industry had passed from the day of the individual to the day of the group," as the board declared in the Corn Products Refining Company decision.<sup>2</sup> The abolition of the individual contract was also an exact reversal of policy in many industries. Other employers met the slightest attempt to introduce collective bargaining, union or non-union, with resistance.

The case of the Western Union Telegraph Company was the third on the War Labor Board docket and the first in which the company refused to accept the board's rulings. Employees charged that men were being discharged for joining the Commercial Telegrapher's union and asked that the board affirm their right to join. The company had been anti-union for many years.

The board ordered, in an award handed down June 1, 1918, as a result of a report made by Chairmen Taft and

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1. Annual Report of the Secretary of Labor, 1918, p. 109.

2. History, p. 206. Docket No. 130.



Walsh, that the company recognize committees of employees, that workers discharged for union activities be reinstated, and that controversies which could not be decided by employees and the company be submitted to the board. The company was not required to recognize the union and the union was forbidden to initiate strikes or permit members to do so.

Both the Western Union and the Postal Telegraph companies refused the award and the Western Union proceeded at once to organize an association of its own employees, known as the Association Western Union Employees. This new association put in effect all the board's rulings except that permitting employees to join the telegraphers' union. It contained a "preferential shop" provision in which the company agreed to prefer for employment workers<sup>1</sup> who joined the new association.

The agreement was signed between the employees and the company July 25, 1918 at Omaha, following the first national convention of employees and the management. The Commercial Telegraphers' Union was abandoned by Western Union employees as a result of a provision of a second agreement, known as the Omaha agreement, dated the same day and contained in a letter from Newcomb Carleton, president of the company, to the officers of the new association. It read as follows:

- 1." That all employees who have been released from the service since January 1 last because of

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1. Booklet, Association Western Union Employees,  
p. 6.

undesirable affiliations will be reemployed upon their application and submission of evidence that they have joined the Association Western Union Employees and relinquished the undesirable outside affiliation, provided that no such employee shall have sought to damage the company's property, to produce confusion in its plant, or to interfere with other employees in the discharge of duty.

2. That employees returning under these conditions shall be entitled to a continuous service record. "1

When the telegraph companies publicly refused the award President Wilson, in a personal letter to Mr. Carleton and Clarence H. Mackey of the Postal, asked that they accept the board's decision for the duration of the war as a matter of war policy. Mr. Mackey replied that he would discontinue discharging employees for union membership because such practise had become a part of war labor policy but Mr. Carleton persisted in his refusal.<sup>2</sup>

The board, Mr. Carleton declared, had no legal means of enforcing its decision. Dependence had been placed in the support of public opinion and the obligation laid upon industry by the joint determination of the War Labor Board policy for the enforcement of awards.<sup>3</sup>

The Western Union raised the issue as to whether, during the war, an employer should insist upon his right to decide to accept or refuse union members, altho he was not required to recognize the union.<sup>4</sup> Altho the new Association Western Union Employees was organized through joint agreement, the practical denial of the right to

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1. Same, p. 9.

2. The Western Union and the National War Labor Board, U.S. Monthly Labor Review, Vol. VII, p. 22ff.

3. History, p. 24.

4. Same.

join a union was a direct denial of the board's awards. The company published its side of the case in a pamphlet entitled "The Western Union and the War Labor Board."

In spite of the new organization, employees of the company threatened a strike. Considering the conditions and the effect of the company's defiance upon the rest of the country, the President ordered the telephone and telegraph lines be put under government control. From August 1, 1918 to August 1, 1919 the Post-office department operated both telephone and telegraph companies. The Association Western Union employees continued in existence and conducted negotiations with the Postmaster-General on behalf of the workers. All restrictions against union membership were removed.

#### The Smith and Wesson Case

In the case of the Smith and Wesson Company, the company refused to accept the award. Upon this refusal, the War Department was placed in control of the company for the duration of the war. The case had been referred to the board by the War Department.

Thus at no time when the Company was in control, was there any form of employee representation in operation. A wage demand by employees, who were inspired by increases in surrounding plants, was refused by the management. There was no question of union recognition until company officials refused to meet a committee of the men. After that refusal, the workers asked the union to come

and organize. For many years the company had operated a closed non-union shop. Each employe was requested to sign a card saying that he did not belong to the union and would not join without giving the company a week's notice. Men had been discharged, before the War Labor Board stepped in, who were thought to have been active in union organization.<sup>1</sup>

### The Bridgeport Case

The munitions plants in Bridgeport, Conn., had been a source of disturbing labor unrest from the beginning of the war. All undesirable conditions affecting labor which existed in other parts of the country seemed to be intensified in this community, which was the center of munitions manufacture.

The Industrial Service Section of the Ordnance Department and the Department of Labor had been concerned with conditions in Bridgeport since the beginning of the war but had had no permanent success in allaying difficulties. When the National War Labor Board was organized, the Bridgeport cases, along with the Smith and Wesson case, were turned over to it for adjustment. At that time workers and employers were deadlocked on the 8-hour day. Union labor was demanding the closed shop and other disputes involving classification of trades and minimum wages were unsettled.

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1. War Department, Report on Industrial Relations, pp. 34-38.  
 Report of Secretary, p. 52. Docket No. 273.  
 Letter from company

The board immediately declared that the continuance of the controversy would be a "menace to the successful conduct of the war."<sup>1</sup> It was one of "such vast importance in the war program and so complex that the solution of it must be approached with the greatest deliberation and care, and both sides should realize that hasty action, especially in this case, would be a menace to the successful conduct of the war."<sup>2</sup>

As to the demand for the closed shop, the board ruled that since open shop conditions had prevailed for many years, any attempt to change this conditions suddenly "would so seriously upset the industries working under various methods of operations and kinds of contracts that the needs of the country would be jeopardized."<sup>3</sup>

Employees were granted the 8-hour day, the right to organized, no discharge for "legitimate" trade union activity, and representation for workers through shop committees, described earlier in this report. According to the ruling of September 23, 1918:

"The institution of collective bargaining, including the organization of shop committees, it to be established solely under the direction of the examiner and independent action will not be permitted."<sup>4</sup>

Employers protested by letter to the War Department but, doubtless with the example of the Smith and Wesson case in mind, accepted the award. The general point of view was expressed in a letter from Hartford, Conn.,

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1. History, p. 198 ff. Docket No. 132.

2. Same. 3. Same. 4. Same pp201-202.

munitions manufacturers and is of interest:

"---As practical manufacturers of long experience, we believe the recommendations of the National War Labor Board that the Smith and Wesson Company introduce collective bargaining and shop committees have been unwise. If maximum productivity is to be obtained each individual employe must be dealt with as an individual and rewarded in proportion to his individual efficiency, and not on the basis of a class average or in proportion to his organized ability to interrupt production if unwarranted demands are not granted. The whole history of union labor, both in this country and abroad, has proved that the open or non-union shop is far more effective than the union shop, where in collective bargaining and shop committees exist.

"Efficiency demands one-man power. Your own department has recognized this. The army in France is commanded by one man. You would not tolerate for a moment collective bargaining and soldiers' committees in the army--Russia tried that experiment . ---

"So in an industrial plant we know from long experience that the highest productivity can be procured when the entire management is vested in a single responsible head with full authority to select his subordinates from the highest to the lowest in accordance with their individual fitness and to reward each in accordance with his individual productivity.--

"The correctness of our opinion is strikingly illustrated by the present conditions in Bridgeport and Springfield. In Bridgeport all suggestions of the National War Labor Board have been accepted by manufacturers --- but production has been reduced almost to the vanishing point. In Springfield the suggestions of the National War Labor Board have been refused by the Smith and Wesson Company; but production continues in advance of contract requirements.

"We know that your department desires production and munitions of war rather than experimentation with new and radical theories of industrial management as recommended by the National War Labor Board in this case.----" 1.

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1. War Department, Report on Industrial Relations, Appendix, p.86.

The War Department upheld the action of the War Labor Board, declaring that its actions were no different from those followed with other Connecticut manufacturers. Public opinion, it was the belief of the Acting Secretary, would support neither workers nor manufacturers who assumed in time of war to set their "individual desires<sup>1</sup> above the needs of the government."

In the Bridgeport case, workers refused to accept the award of the board, charging bad faith on the part of their leaders and discrimination by employers. They went on strike again in the early part of September and only returned to work after a personal letter from President Wilson to the union in which he declared that unless the men accepted the award made by a body to which they had submitted the case they would be barred from employment in war industries in Bridgeport and from exemption from active service because of their usefulness. The men returned to work but certain manufacturers refused to reinstate former employes and the workers complained to the board. The President wrote to manufacturers insisting upon reinstatement since the men had complied promptly with<sup>2</sup> the demands of his letter to them.

The drastic action of the government in the Smith and Wesson and Western Union controversies and the influence of the President in the Bridgeport cases consolidated the board's position and awards were accepted with little question.

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1. Same, pp.88,89. 2. Report of Secretary, p. 52.

Collective Bargaining  
for Telephone Companies.

The War Labor Board was responsible for the introduction of non-union collective bargaining as a labor policy in the telephone companies. The telephone, as well as the telegraph, companies were put in control of the Postoffice Department following the controversy between the Western Union and the War Labor Board.

An order forbidding discrimination against telephone employees for union membership was issued by the Postmaster General October 2, 1918.<sup>1</sup> Union organization proceeded rapidly, with employees, it was charged, implying that the government desired all workers to join the Commercial Telegraphers' Union of America, the International Brotherhood of Electrical Workers, or other unions.

Postmaster General Burleson immediately declared that these representations had "no foundation in fact whatever. In its operation the Postoffice Department will not distinguish between non-union or union men. Persons will be employed solely for fitness for the position they seek and must not be employed, discharged, favored or discriminated against because they do or do not belong to a particular organization."<sup>2</sup>

The order establishing collective bargaining for telephone companies was issued June 14, 1919, two days

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1. Bulletin No. 9. Also Collective Bargaining for Employees of Government-controlled Telephone and Telegraph Systems. U.S. Monthly Labor Review, Vol. IX, p. 137.
  2. Orders Affecting Wages and Employment of Employees of Government-controlled Telephone Systems. U.S. Monthly Labor Review, Vol. VIII, pp. 463-65.



before the sympathetic strike of Bell Telephone employees was called. Telegraphers in Atlanta, Ga., had gone on strike early in June, 1919, for recognition of the right to organize and for reinstatement of employees said to have been discharged for union membership. A national strike of telegraphers was called June 11 and many employees went out.

The order averted the telephone strike. Workers accepted its provision which included the right to bargain either as individuals or collectively through committees or by representatives chosen to act for them. If a company had dealt with the union prior to government control, it should continue to do so. Telephone companies were required to appoint one or more officials authorized to deal with employees' representatives in matters of better conditions of labor, hours, compensation or grievances. Complaints were to be considered not later than five days<sup>1</sup> after presentation.

Government control of telephone companies ceased July 31, 1919. The New York Telephone Company immediately put in operation a plan of employee representation. Employees of this company are not unionized and the plan contains no provisions in regard to non-discrimination for<sup>2</sup> union membership.

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1. Bulletin 277 Order No. 3209, in U.S. Monthly Labor Review, Vol. IX, p. 138.

2. Letter from H.W. Cassler, Vice-president of N.Y. Telephone Company, March 3, 1922.

The National War Labor Board  
and Pre-War Company Unions

The action of the War Labor Board in refusing to countenance the Western Union company union foreshadowed its decision in cases involving concerns which contended that their employees' organizations, formed independently of the board, provided adequate representation for the workers. Employees in these concerns, with few exceptions, were required to sign contracts binding them not to join a union while in the company's employ. Men known to be union members were discharged.

In the cases of the General Electric Company plant at Pittsfield, Mass., and the Smith and Wesson Company, the board directed that the individual contract be discontinued. Such contracts constituted a violation of the non-discrimination policy of the board.<sup>1</sup>

Discrimination in any way against men for union membership or legitimate union activity was forbidden. In the Brooklyn Rapid Transit Company case the board ruled:

"The right of the workers of this company freely to organize in trade union, or to join the same, and to bargain collectively, is affirmed, and discharged for legitimate union activities, interrogation of workers by officials as to their union affiliations, espionage by agents or representatives of the company, visits by officials of the company to the neighborhood of the meeting place of the organization for the purpose of observing the men who belong to such unions, to their detriment as employees of the company, and like actions, the intent of which is to discourage and prevent men from exercising their right of organization, must be deemed an interference with their rights as laid down by the principles of the board." 2

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1. General Electric, Docket No. 19. Smith and Wesson, Docket, No. 237. Report of Secretary, p. 54.
  2. Report of Secretary, p. 55.

Company unions as they existed in these concerns did not provide adequate means of collective bargaining and companies were not complying with the board's program by countenancing a company union.<sup>1</sup> The rule in the Pacific Electric Railway case was as follows:

"We find upon consideration that the company's contention that the men have always been able to discuss grievances as individuals and that no system of collective bargaining is necessary for their welfare, is wrong in fact and in principle, nor do the division meetings held by the men, which were advocated by the company as an adequate plan of collective bargaining constitute an ideal or even proper means of free and unhampered discussion by the men for their grievances and their presentation of the same to the company for adjustment."<sup>2</sup>

Compulsory membership in company benefit organizations, to which union members had objected strenuously for many years, could no longer be made a condition of employment, the board further ruled when this question arose. Workers must be free to join any organization of their choice, and also not to join organizations.<sup>3</sup>

The Brooklyn Rapid Transit Company, as well as others, charged the board with unionizing the company through these provisions for unlimited union membership. To this charge the board replied:

"We are not unionizing the employees of the company in the sense of making an organized closed shop. Under our principles the company, not being bound otherwise by any contract or agreement with the union, may refuse to deal with any committees except its own employees. But it cannot bar employees from joining such unions and organizing such unions as they choose. If these employees see fit to follow a lawful course, directed by national trade unions, the company cannot prevent them and may not complain."<sup>4</sup>

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1. Report of Secretary, p. 54. 2. Pacific Electric R.R. Co., Docket No. 214, Report of Secretary, pp. 54-55.  
 3. and 4. See following page.

The Kansas City Railways Company was required to consider the demands made by the Amalgamated Association of Street and Electrical Railway Employees, through committees of their own employes, altho many of the men belonged to the K.C. Railways Employees' Brotherhood. The employees' brotherhood was represented before the board by a special attorney but the award, handed down August 17, 1918, was to govern all employes. This wage award was conditional upon an increase in fare. This complication led to involved court proceedings and finally a strike in 1918, after the Armistice. The company denied the board's jurisdiction.

The attitude of the company, the board declared, seemed to have been, so far as could be determined from the evidence, that it was content the men had made the mistake of striking because the strike would enable the company to defeat the union and to avoid the burden of increased wages.<sup>1</sup>

The board was careful to maintain the standing of the union in plants where shop committees were introduced by its order. In the Corn Products Refining Case, the company was ordered to continue to deal with unions in departments where they had done so before the War Labor Board was in operation. In other departments shop committees were organized to facilitate collective dealing.<sup>2</sup>

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1. Findings and Awards in re Amalgamated Street and Electrical Railway Employees of America, Division 764, Docket No. 265. History pp. 250-259.

2. Docket No. 130. History p. 206.

Notes to page 112 3. Standard Wheel Co. Docket No. 176.,

Corn Products No. 130. Midvale Steel and Ordnance no. 129.

4. Brooklyn Rapid Transit Co. No. 283. History p. 264.

Extent of National War  
Labor Board Awards

The National War Labor Board was in existence sixteen months, from April 8, 1918, to August 12, 1919. In that time more than 1,200 labor controversies were submitted to it and 462 awards and findings made, with 77 pending when the board was dissolved.

Collective bargaining, through existing union machinery or newly created shop or departmental committees was made a condition of 226 of these awards, almost half of the entire number. This practise was in existence in many plants which appeared before the board and no rulings to that effect were necessary in such cases. The "right to organize intrade unions and to bargain collectively through chosen representatives" was involved in more than 150 disputes. This latter was in reality a ruling permitting union membership, since in non-union plants collective bargaining was not carried on through trade unions.

The decisions for which information is available affected 1,100 establishments and 711,500 workers, of whom 90,500 were employes of street railways. A much larger number of plants adopted the board's plan of industrial relations, without bringing any question before it for decision. If machinery for collective bargaining did not exist, shop committees were were recommended. These committees were

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1. For more detailed account of extent of awards, see History, p. 23.

2. Same p. 19.

not organized in some cases, and did not function extensively in others, since the board's decision often disposed of controversial matters and left little for a shop committee to do.

In some cases, the decisions of the board included recommendations for plants not parties to the controversy. In the Boston fisheries award collective bargaining was recommended for companies associated with the industry. The board suggested that a conference of all workers and employers whether or not they had been parties to the dispute, be called to formulate a plan of collective bargaining to<sup>1</sup> apply throughout the fishing industry in that section.

The two "most far-reaching determinations of the board were, first, the bargaining relationships which were established between employers and workers, whether union or non-union; and second, the fact that the War Labor Board established the principle of the living wage for industry."<sup>2</sup>

The larger part of the board's period of existence was after the signing of the Armistice. From that time until the board was dissolved, objections to its decisions, on the ground that it had been created for the war period only, were more numerous, altho employers generally accepted them. Because of these objections, a resolution was adopted November 22, 1918, declaring that awards should be in force<sup>3</sup> until the President declared peace.

Early in December the board voted to receive only cases by joint submission, thinking to cut down the number of appeals. Eighty-seven cases, however, were submitted

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<sup>1</sup>. Report of Secretary, p. 57. <sup>2</sup>. History, p. 23. <sup>3</sup>. Same p. 13

in January 1919. The activity and effectiveness of the board decreased from month to month in 1919, owing to lack of interest and lack of financial support, since the compelling need for maximum production of war materials had disappeared.<sup>1</sup> The board adjourned June 25, 1919 and refused all new cases. It was formally dissolved August 12, 1919.

G. Post-Armistice Attempts to Influence Labor Policy

The President's First Industrial Conference

Although the labor programs of the different government adjustment agencies were designed to meet emergencies arising in industries that affected the successful outcome of the war, nevertheless members of these boards began to express the hope, toward the end of their period of service, that workers and employers, assisted perhaps by the public and the government, would cooperate to work out plans to prevent a return to old methods of industrial relations.

The war program was considered successful because it reduced strikes and increased production to the highest point in the history of the United States.<sup>2</sup> Government boards were convinced that the new system of handling industrial relations, involving as it did employee representation, was to some degree responsible.

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1. History of National War Labor Board, p. 13.  
2. Same, p.

A return to old conditions, many of them believed, would be unfortunate for all concerned. Dr. Harry A. Garfield, fuel administrator, appealed to workers and employers in the coal industry to work out a new plan, predicting that unless they did so chaos in the industry would result.<sup>1</sup> His prediction has to some degree been true. These recommendations are found in almost all final reports of adjustment agencies. The War Department, as noted earlier, adopted a new program for the arsenals as a result of war experience.

With the Armistice came a general let-down in industry, caused by cancellation of government contracts and general slowing down of war production in all lines. Employers and workers began to show signs of returning to their old antagonistic relationships. "The common object of the war" to quote Dr. Garfield, was no longer operating as a means of holding them together. Congress failed to see the necessity for continuing war labor boards when the war was over and industry was protesting against obeying war agreements in time of peace. The boards gradually went out of existence until only the U.S. Fuel Administration and the U.S. Railroad Administration were functioning in the fall of 1919.

With the increase of strikes late in 1918 and various other disturbing factors appearing in the labor situation President Wilson called the First Industrial Conference in January 1919 while government agencies were still in existence.

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1. Final Report of the U.S. Fuel Administration, p. 61



The question of employe representation in industry, involving no recognition of trade unions, came up for discussion frequently in this conference, in an endeavor to arrive at some common basis for the settlement of industrial disputes. Labor (principally trade unionists), employers, and the public were represented in the conference in three groups.

Many employers were willing to accept shop representation, through committees of their own employes. They were adamant, however, against anything which savored of any recognition of trade unions. Some doubted whether collective bargaining could be mentioned without implying recognition of trade unions.

The conference broke up without making any recommendations, after failure to agree on a definition of collective bargaining. Trade unionists insisted on their own interpretation of a collective bargaining resolution, which the public group accepted but which employers denounced. They insisted that the resolution was a means of forcing them into recognition of trade unions. 1

#### The President's Second Industrial Conference

President Wilson called the Second Industrial Conference in December 1919 when conditions in industry were growing more chaotic daily. Coal miners had gone on strike in protest against the Washington agreement, which was to continue until 1920, and had gone back to work only after

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1. Report of the President's First Industrial Conference, Government Printing Office, Washington 1919, p. 266 ff.

an injunction in the Federal courts had been issued against them. New York harbor was tied up by longshore and ferry-men's strikes. Railroad switchmen went out for a short time. The largest strike was in the steel industry, where the American Federation of Labor had been attempting to organize for a year preceding the walk-out.

The policy of "joint organization through employee representation" was made an official recommendation of this conference but with various consideration of which union labor did not approve. Members of this conference were drawn largely from men representing the public. No official labor representation was present, altho certain members were friendly to labor's interests. The Secretary of Labor presided as chairman.

Causes of industrial unrest, the conference declared, were not the result of the war but of existing causes accentuated by the war. One important cause was the desire of the workers to "exert a larger and more organic influence upon the processes of industrial life." This could be accomplished, it was believed, through employee representation. Trade union opposition was a result of misapprehension regarding the plan. The relation between trade unions and shop committees should be complementary and not mutually exclusive.

The conference conception of collective bargaining was defined at some length:

"The term 'collective bargaining' as herein used, means negotiations between an employer or an association of employers on the one side and employees acting as a group on the other. There are two types of collective bargaining as thus defined: one in which the employees act as a group through the trade or labor union; the other in which they act as a group through some plan of representation.

"An analysis of the heated controversies which are current with reference to collective bargaining indicate that the employees place the emphasis on the right of wage earners to bargain collectively, and that employers place the emphasis on the right of employers to bargain or refuse to bargain collectively at their discretion.

"The conference believes that the matter is not advanced materially by the assertion of the right, on the one side, to bargain collectively, or on the other side, to refuse to bargain collectively: as abstract rights both undoubtedly exist. The real question is whether, as a matter of policy, better relationships between employers and employees will be promoted, and a more effective industrial organization will be brought about, if a system of collective bargaining is adopted.

"The conference is in favor of the principle of collective bargaining. It sees in a frank acceptance of this principle the most helpful approach to industrial peace. It believes that the great body of the employers of this country accept that principle. But difference of opinion arises in the method of representation. In the plan provided by the conference for the adjustment of grievances provision is made for the unrestricted selection of representatives by employees, and at the same time provision is also made to insure that the representatives of employees in fact represent the majority of employees, in order that they may be able to bind them in good faith. The conference believes that the difficulties can be overcome and the advantages of collective bargaining secured if employers and employees will honestly attempt to substitute for unyielding contentious attitudes, a spirit of co-operation with reference to those aspects of employment where their interests are not really opposed but mutual." 1

The influence of this conference on employers was extensive, as indicated in a letter from the manager of industrial relations of the Pullman Company,

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1. Final Report of the President's Second Industrial Conference. Reprinted in Industrial Management, May, 1920, pp. 348-354.

which installed a plan of representation in 1920. The Pullman plan, commonly known as the "American plan", is similar to that in existence in some 300 industrial concerns in the United States, all of which, in his opinion, are based on the system of employee representation "evolved and endorsed" by the President's Second Industrial Conference. There is no question of union recognition in the Pullman plan.<sup>1</sup>

### III. INFLUENCES SHAPING GOVERNMENT POLICY

#### A. Early Shop Unions in the United States

No reference has been made so far in this study to shop unions in existence in the United States before the war. Some of the most advanced and best known shop organizations of employees originated before 1917 and the experience of these concerns might reasonably be expected to play an important part in the formation of war labor policy, involving as it did plant representation of employees.

These early plans, however, did not become a matter of much interest to employers and the public until after war labor policy had focussed attention upon industrial relations. Either they were unknown or not considered of sufficient importance to be used as working models by government labor adjustment agencies. Without doubt the attitude of trade unionists also had its influence.

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1. Letter, March 6, 1923.

All government war labor agencies, with the exception of the President's Mediation Commission, were formed by agreement between the government and officials of national trade unions involved in disputes. In the early shop unions on the other hand, trade union officials were ruled out, except by Hart, Schaffner, and Marx and the Plimpton Press, and the national unions as a result were bitterly opposed to "yellow" or "sucker" unions, as they called company organizations of employees. The government was concerned principally with workers who were organized to some extent and who were seeking to extend their organizations.

Certain students of employe representation also ignore early shop unions. Professor Henry R. Seager in an article published in 1923, credits the government with the organization of shop committees. Pre-war non-union employees' organizations apparently are not considered as part of the same movement.<sup>1</sup>

Between 1901 and 1917, eighteen concerns established some form of employe representation, sixteen of which are still in existence. These vary greatly in structure and function, which are not important for this study. Motives of employers are of greater interest, especially if they throw light on later government policy. The Labor Agreement of Hart, Schaffner and Marx of Chicago, the Cooperative Welfare Association of the Philadelphia Rapid Transit Company, of the "Industrial Democracy" of the Packard Piano plant, and the Industrial Representation Plan of the Colorado Fuel and Iron Company were organized following

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1. Seager, Henry R., Company Unions versus Trade Unions. American Economic Review, March 1923, Vol. XIII p. 1.

disastrous strikes and a long period of unsatisfactory labor relations. Hart, Schaffner and Marx was the first large industrial concern to introduce a labor department on an equal basis with other executive departments.

The Filene Cooperative Association, composed of employees in the department store of William A. Filene's Sons Company in Boston, developed gradually from various employees' committees, the first organized in 1901. Employees are now represented on the board of directors and have a voice in formulating store policies. The employer in this case was a business man who recognized that "big business" would bring decided changes in labor relations. Apparently little was known of this plan until after the war. It is not listed by the National Industrial Conference Board in the study published in 1919. The Nunn, Busch, and Weldon Shoe Company of Milwaukee was influenced by the same considerations, altho trade union activity resulted in the employee organization broadening its membership sooner than it probably would have done otherwise.

John Leitch, who has been called an "industrial evangelist", installed his system of "Industrial Democracy" in the plants of the Packard Piano Company, Fort Wayne, Ind., the Arco Company, and the Printz-Biederman Company of Cleveland in 1913 and 1914. "Industrial Democracy" is a trade name rather than a title descriptive of the amount of control workers exercise under this system.

The Joseph and Feiss Company of Cleveland organized

its workers, mostly women and girls, as part of an elaborate system of scientific management. In the case of the Plimpton Press, Norwood, Mass., the opposite procedure was followed. The shop union here was a modification of a scientific management system, forced by the workers' demands. The company now signs agreements with the printing unions and is experimenting with a new type of shop committee in one plant, with the cooperation of the unions.

In the White Motor Company, the Hickey-Freeman clothing company of Rochester, N.Y., and the Minnequa Steel Works of the Colorado Fuel and Iron Company the plans were instituted by the management with no urgent pressure from outside sources. The Minnequa Steel Works was not involved in the Colorado strike of 1914, which was the point of origin for the Rockefeller plan for the mining camps.

The Hart, Schaffner and Marx Company is no longer included in lists of firms with employee representation as a policy, since the company signed an agreement with the Amalgamated Clothing Workers in 1919. The Hickey-Freeman Company is a party to the same agreement, which has been renewed since that time. The original labor agreement between Hart, Schaffner and Marx and its employees has become the basic policy of manufacturers and workers who are parties to the Amalgamated agreements. That plan may be said to be responsible for the organization of the Amalgamated and the adoption of collective bargaining

based on industrial unionism with workers considered as employees of a company, rather than as members of a craft. The Amalgamated is not affiliated with the American Federation of Labor.

In perhaps a third of these early shop unions, the labor policy of the government exerted a liberalizing influence, either directly or indirectly. These changes will be discussed in detail later.

One policy certain of the early shop unions and government organizations of employees had in common-- that of non-discrimination for trade union membership. The practise of collective bargaining by representatives of employees, regardless of union membership, was a development for which the government was largely responsible.

While the Department of Labor was of course acquainted with these early plans, a program of industrial relations which developed outside the United States exerted the greatest influence on war labor policy. This was the program of works councils and shop committees developed by the Whitley committee in Great Britain.

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B. The War Labor Program  
of the British Government

British war labor policy, as announced through the Whitley committee and the later reports of the Ministry of Reconstruction, was the parent of the government's non-union shop representation policy in the United States. Experience of the Department of Labor cannot be entirely ignored, of course. Neither can that of earlier commissions appointed to deal with special aspects of labor problems before the war. The recommendation of the National Industrial Conference Board that war labor agencies adopt the non-discrimination for trade union membership policy of the Anthracite Commission has been mentioned earlier.

However, from the time the first report on relations between employers and employed was issued by a sub-committee of the Reconstruction Committee of the British Ministry of Labor, March 8, 1917, the Department of Labor, through the United States Monthly Labor Review and special bulletins gave the widest publicity to the recommendations of what was popularly known as the Whitley committee.

The National Industrial Conference Board, in its first report on works councils published in 1919, noted that they were so little known in the United States that an article in The Survey early in 1917 on works councils in Great Britain was called "The Discovery -- An Account of a New Way to Industrial Peace in Great Britain."<sup>1</sup>

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1. Works Councils in the United States, p.7. The Survey, May 19, 1917, pp. 156-159.

The second report published by the Conference Board in 1922 ignores all government influence in the employe representation movement, probably actuated by the bitter reaction during the period of business depression which all employers exhibited toward attempts at "government interference" in any of their affairs. In the most recent report, however, emphasis is again placed on British experiments. "The real genesis" of the movement is now recognized in employe representation plans organized abroad and the Whit-  
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 ley committee is given credit for originating this type of employe organization.

The United States Shipping Board, through its several industrial relations agencies, reprinted the British Ministry of Labor's Inquiry as to Works Committees and the Memorandum on the Industrial Situation after the War, published by the Garton Foundation, London. A detailed study of works committees both in the United States and England was prepared for the shipping board by A.B.Wolf, entitled Works Committees and Joint Industrial Councils.

The War Department, in formulating its labor policy, drew heavily upon the experience of the British  
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 Ministry of Munitions.

The final recommendations of the National Adjustment Commission for longshore labor were "in accordance

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1. The Growth of Works Councils in the United States, p.1.
  2. War Department Industrial Relations Report, p. 27.

in large measure with the recommendations of the Whitley committee and with the demands of British labor and the expressed policy of the British government." <sup>1</sup>

A government investigator, studying the employee representation movement in 1919, mentioned early plans in the United States as having some influence but gave as her opinion that the "greatest impetus to the movement came from Great Britain in reports of the Commission of Inquiry into Labor Unrest of the Reconstruction Subcommittee on Relations between Employers and Employed and the Garton Foundation memorandum on the industrial situation after the war." <sup>2</sup>

Roger Babson, who served as director-general of the information and education service of the Department of Labor wrote the introductory note to the report of the Employers Industrial Commission which visited England and studied the labor situation there. Of British influence he said:

"Great Britain was chosen as the chief field of investigation, because of the belief that British industrial experiences have for many years been along the same paths as ours; that it may be assumed from industrial history that the United States will follow3 somewhat later along similar paths as Great Britain."

Non-union collective bargaining which became a feature of government policy in the United States, had its counterpart in certain committees in England, composed of

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1. U.S. Shipping Board Report on Marine and Dock Labor, U.S. Monthly Labor Review, Vol. VIII, p. 1435 ff.
  2. Whitney, Anice L., Development of Shop Committee Systems, U.S. Monthly Labor Review, Vol. IX, p. 1527 ff.
  3. Report of Employers' Industrial Commission, p. 4.

workers who were trade union members but who did not recognize their union's authority under certain conditions.

The National War Labor Board shop committees, with terminology borrowed from British practise, received perhaps the widest publicity in the United States. Students of war labor agencies are apt to discount earlier government organized committees and to trace the National War Labor Board plan in a direct line from the Whitley proposals, as does Mr. Stoddard, who declares that the "shop committee idea in the United States may be said to have remained dormant during the period in which the groundwork of the structure --- in the Whitley report was being laid." <sup>1</sup>

The terminology of the government plans and later employe representation systems was taken over directly from British plans. The terms shop and works committee are of British origin as also was "works council", the name adopted by the National Industrial Conference Board as most descriptive of this type of employe organization. In the United States the first of the non-union workers' organizations were known as cooperative associations, advisory committees, workmen's representation committees, trade boards, partnership plans, and industrial representation plans.

The "Whitley councils" received their name from the Hon. J.H. Whitley, M.P., chairman of the subcommittee of the Reconstruction Committee, appointed by Prime Minister

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1. The Shop Committee, p. 6.

Asquith in October, 1916. The first report was issued

March 8, 1917. The duties of the subcommittee were:

1. To make and consider suggestions for securing permanent improvement in the relations between employers and employed.
2. To recommend means for securing that industrial conditions affecting relations between employers and employed shall be systematically reviewed by those concerned, with a view to improving conditions.

The proposals of the Whitley committee for joint standing industrial councils was regarded by the Department of Labor as "an entirely new departure affecting the relations between employers and employed in Great Britain, with a view to improving such relations and fostering a better understanding on both sides in order to prevent many of the difficulties which heretofore have interfered with complete co-operation between employers and workpeople."<sup>1</sup>

Five reports on industrial councils and works committees were submitted to the British government by the Whitley committee and seven reports were issued by the government. The purpose of the U.S. Bureau of Labor Statistics in publishing these reports was that "Industry generally in this country and particularly that branch having to do with manufacture may become acquainted with the movement -- in Great Britain which offers opportunity for labor and capital to compose many of their differences and to get together on questions that vitally affect the interests and well-being of each."<sup>2</sup>

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1. Joint Standing Industrial Councils in Great Britain, Reports of the Committee on Relations between Employers and Employed and other Official Documents. U.S. Bureau of Labor Statistics, Bulletin No. 255, p.1.
  2. Same, p.7.

The recommendations of the Whitley committee, later known as the Ministry of Reconstruction, provided for three types of joint standing industrial councils:

1. For poorly organized industries (in the sense of trade union organization), or localities of an industry, trade boards, under the Ministry of Labor.
2. For moderately organized industries, or for industries which evince a somewhat lukewarm interest and need to have patriotic feelings aroused, interim industrial reconstruction committees, fostered by the Ministry of Reconstruction.
3. For well-organized industries, full-fledged joint councils, the scheme accredited to the Whitley committee, altho that committee only crystallized an idea long considered in Great Britain. 1

Councils were established by May 13, 1919 in thirty-<sup>2</sup> five industries and under consideration in thirty-six.

The national industrial council, however, was not to be considered as complete in itself, the first Whitley report emphatically declared. A triple organization was needed -- in the workshops, in the districts, and throughout the industry.<sup>3 2</sup> The chief aims of the industrial councils were to give workers a direct voice in determining workshop conditions and to bring employers and employed regularly together in joint consultation.

In the United States emphasis has been placed on the committees, representative of the workers and management in one plant, designated in the Whitley reports as works committees. Those were regarded as part of a general

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1. Joint Standing Industrial Councils in G.B., p. 9.

2. Same, p. 10.

3. Same, p. 7.

program and not as a venture in industrial relations on the part of individual manufacturers.

Works committees is the term used in the Whitley reports for committees representing all the employees under one management; shop committees refer to committees composed of representatives from sections of shops in the plant which employ a single craft. Shop committee and joint committee were terms used by U.S. government adjustment agencies for the same type of organization.

Successful works committees, the Whitley committee reported, were looked upon as the "broad base of the industrial structure which they had recommended. Such committees were regarded as the best means of enlisting the interest of the workers in the success both of the industry generally and their own particular workshop." <sup>1</sup> Such committees should not be used to discourage trade union organization. The parliamentary committee was of the opinion that the complete success of works committees would depend upon the extent and efficiency of organization (trade union) in the trade and the close relation between the works committee and the district and national councils. Their success would be seriously interfered with if employers were allowed to use them to oppose trade union programs or organization. <sup>2</sup>

Better relations between employers and workers

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1. Supplementary Report on Works Committees, Reprinted in Joint Standing Industrial Councils in G.B., P. 33.

2. Same,

could be achieved only by granting the latter a larger share in the consideration of matter with which they were concerned. However, in every industry, there were certain questions, including wages and hours of work which should be settled by national and district agreement and with these works committees should have no concern. The workshop committee was designed to establish a system of cooperation to deal with questions affecting the daily life, comfort, and efficiency of the worker and the success of the business, all of which were peculiar to a workshop or factory.<sup>1</sup> A close parallel can be drawn between this report and the final recommendations of the Shipbuilding Labor Adjustment Board, mentioned earlier in this study.

All these specifications for works committees were repeated in the more detailed Report of an Inquiry into Works Committees issued by the Ministry of Labor in 1918, with special emphasis placed on the necessity for cooperation with trade unions. By the time this report was published, works committees were in operation in many industries, some established by employers independently and others through cooperation with the Whitley committee.<sup>2</sup>

In this report it is clearly brought out that works committees were not an invention of the Whitley committee. In recognizing works committees and linking them up with a national system of industrial councils

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1. Same, p. 32. 2. Works Committee, A Report of an Inquiry made by the Ministry of Labor, London, 1918, Reprinted in Bulletin No. 255, p. 50.



the Whitley committee regularized a situation that had developed as a result of modification of trade union practise and methods by war conditions and regulations.

"The works committee, on the whole, springs from common methods of trade union organization inside the workshop, as they existed long before the beginning of the war," the Ministry of Labor declared in its report.<sup>1</sup>

The immediate predecessors of the Whitley committees were the committees organized by trade union shop stewards or by the workers themselves, independently of their unions, following the restrictions placed on trade union activity by the British government shortly after it entered the war. Committees originated from other sources, such as those organized to deal with dilution, methods of pay, timekeeping, welfare or war charity, but the first groups were undoubtedly the most important in the history of the movement.<sup>2</sup>

When trade unions were forbidden to strike, they lost their most important means of presenting complaints or enforcing conditions which employers already had granted. With no means of calling attention to their demands, the workers were helpless, and groups of workers in various industries struck on their own account against what they considered unfair conditions. Trade union officials were unable to control them.

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1. Works Committees. A Report of an Inquiry Made by the Ministry of Labor, Reprinted in Bulletin No. 255, p. 51.
  2. Same, p. 57.

New conditions in industry, brought about by the war, necessitated changes in rules and working conditions, which had to be dealt with immediately in the different workshops. Trade union machinery provided no means of handling personal grievances from day to day or for taking care of matters peculiar to an individual plant. What machinery had been provided was cumbersome and inefficient. Employers soon found an advantage in dealing with committees of their own workers or with shop stewards committees.<sup>1</sup>

The shop steward movement had two aspects, official and unofficial, the latter often referred to as an "outlaw" movement. The stewards and their committees were regarded as official when the trade unions were in executive power over their activities. In the unofficial movement, stewards were elected regardless of craft and representatives of all grades of workers who refused to recognize authority of national and district union officials and sought "ever increasing control of the workshop" rather than authority to deal with merely welfare, output, and rate agreements.<sup>2</sup>

So important did the Department of Labor consider British labor policy that a commission of employers was sent to England early in 1919 to study the attempts to put the Whitley recommendations into effect. Some of the

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1. For a convenient summary of the shop steward movement and the Whitley councils see, Report of the Employers' Industrial Commission of the U.S. Department of Labor on British Labor Problems, pp. 13, 28.

2. Gleason, Arthur; What the Workers Want, p. 184.

conclusions of this commission are of interest. In the first place, the employers found an attitude of government toward employer and worker organizations, and of employers toward trade unionism that was a "revelation" to them. They apparently realized for the first time that cooperation between trade unions and the joint standing industrial councils was considered an essential part of the<sup>1</sup> Whitley plan.

They were inclined to discount the strain of the war on the workers, frequently mentioned in the Whitley reports, as an important cause of industrial unrest in England. This strain was incidental to the struggle for better working conditions which had been going on for years before the war, which the fundamental cause of industrial unrest, in their opinion. They also noted bad housing conditions, lack of general welfare work for demobilized soldiers,<sup>2</sup> and continuation of war restrictions.

They could not report that they had found any "panacea for industrial unrest." Some employers, they declared, "bounded by the horizon of their own experience" seemed to believe that they had invented methods to end industrial conflict, but these schemes, in the commission's opinion, would be successful only under certain conditions<sup>3</sup> in certain plants.

While the Whitley proposals received wide publicity,

1. Report of Employers' Industrial Commission, p. 11,
2. Same, p. 19.
3. Same, pp. 18, 19.

employers, trade unions, and the government were slow to put them in operation. Workers were inclined to be suspicious of any attempts which might seek to prevent restoration of trade union conditions at the end of the war.<sup>1</sup>

As the period of business depression and unemployment continued in Great Britain, a distinct trade union reaction against such plans appeared. Confusion in labor relations, which culminated in the general strike, rather than a constructive way out of difficulties, marked British policy.<sup>2</sup>

From this brief description of the Whitley councils, it can be seen that altho the English plan formed the basis for the government scheme of industrial relations in the United States, the general practise was somewhat modified by conditions here. The National War Labor Board plan most nearly approaches the industrial councils for poorly organized industries in England, with trade boards established by the government taking the place of the non-existent employers' organizations. In the United States, only in the case of the Loyal Legion of Loggers and Lumbermen was a distinct industrial council organized and in that instance there was no trade union cooperation. In the Shipbuilding Labor Adjustment Board system, yard owners were not parties to agreements.

The one feature of the British plan which became firmly

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1. Joint Industrial Councils in Great Britain, p.12.
  2. Good accounts of the trade union opposition to the Whitley councils are to be found in National Guilds of Whitley Councils, published by the National Guilds League, London; and in Industrial Negotiations and Agreements, by the Trades Union Congress and the Labour

fixed in the minds of employers and the public in this country was the organization of works committees. The tendency in the United States was to regard the works committee, not as part of a general system, but as an institution in itself for the handling of industrial relations in individual plants. The mass of American employers remained individualistic in their attitude toward labor relations, in spite of the tendency of government boards toward group settlement of labor questions.

Another reason for the adoption of British policy which has no direct support but which can be inferred from a study of conditions, was this: the Whitley councils did not have the opposition of trade unions here, as was the case with the plans adopted by concerns in the United States before the war. Through a system based on this plan, the government could offer workers a new form of organization which had at least partial labor support in England at the time it was promulgated, and to employers a flexible plan of organization of works committees which suited his ideas a great deal better than the craft locals of unions. Both sides, in general questions, could regard themselves as negotiating with the government, instead of with each other. This attitude was frequently taken, as has been illustrated earlier in this study.

### C. Personnel of War Labor Agencies

In any discussion of factors influencing war labor policy in the United States, some mention must be made of the personnel of war labor agencies. Since these boards and commissions gave wide representation to workers, through shop committees and through participation of workers in formulating government policies, in direct opposition to American industrial tradition, an inquiry into the personnel should be fruitful.

One can do no more than mention certain workers here but the names will indicate to some extent the sources from which the government's labor policy drew its liberal features. Felix Frankfurter, too well-known to require more than mention, served with the War Department and the President's Mediation Commission. Walter Lippman, one-time editor of The New Republic and now chief editorial writer for the New York World, was the War Department's adviser on industrial relations for some time.

President Hopkins of Dartmouth and Dr. L.C. Marshall of Northwestern University served the Shipping Board in various capacities. Mrs. Florence Kelley of the National Consumers' League and Professor William Z. Ripley of Harvard University served on the board of standards for army clothing and conducted negotiations with the clothing workers.

Frank P. Walsh, notably sympathetic to organized labor, and Basil P. Manley, labor investigator for many different organizations, were labor chairmen of the National War Labor Board. The influence of Chief Justice Taft, who served as one of the joint chairman of the board, was exerted toward more representative means of dealing with labor.

The late Dr. Carlton H. Parker of the University of Washington, one of the first investigators in the field of industrial psychology, was associated with government boards in Washington and Oregon and was responsible to a great extent for the policy adopted in the lumber camps. His death occurred in 1918, following a breakdown brought on by overwork. Professor Will Ogden of the University of Washington was associated with him.

This is by no means a complete list. It merely indicates an important influence on the policy of government agencies which has been somewhat overlooked in accounting for its origin. There were also employers, both liberal and conservative, and representatives of organized labor serving on the several boards. Government policy was a composite of conflicting ideas, which nevertheless lead to representation of labor.

#### IV. EFFECT OF GOVERNMENT WAR LABOR POLICY ON

##### INDEPENDENTLY ORGANIZED EMPLOYE REPRESENTATION PLANS

##### A. During the War

The National Industrial Conference Board, in its first report on works councils speaks of the "extraordinary impetus" given to the employe representation movement by "war time exigencies."<sup>1</sup> The object of the National War Labor Board was, of course, the widest possible adoption of its policies and in the statement issued by the Board July 31, 1918, mentioned earlier, employers were requested to adopt its policies and methods in settling their difficulties, rather than appealing to the board.

There is little question but that this statement was responsible for the organization of many of the employe representation plans in 1918. One government investigator, writing in 1918, noted the extraordinary interest in the movement. She reported 160 concerns with shop unions in operation, organized either by war labor agencies or as part of a new labor policy by employers acting independently.<sup>2</sup> Many of the plans in existence in 1918 have since been discontinued by employers, for reasons which will be discussed later, but at that time the movement was making an exceedingly rapid growth.

Another government investigator, writing of that

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1. Works Councils in the United States, Research Report No. 21, p. 12.

2. Whitney, Anice L., Employe Representation in the United States, U.S. Monthly Labor Review, Vol. IX, p. 1529



year, considered that the increase in employe representation plans showed a "remarkable growth in the acceptance of the principle that employes are entitled to a voice in determining conditions under which they work and of the practise of collective bargaining."<sup>1</sup>

The most important group of employers to adopt plans voluntarily were those in the fuel and iron industry. Both fuel and iron production was considered essential to the success of the war and the President's Mediation Commission and the U.S. Fuel Administration were setting up rules for labor adjustment in oil and coal fields. Workers in the metal trades employed in the shipyards were coming under government control through the Shipbuilding Labor Adjustment Board. Workers in the same trades were employed in the steel mills.

The extent to which the fuel and iron companies were influenced by government example would be difficult to determine, and no mention of government activity occurs in any of their publications on their employe representation plans. Nevertheless it is impossible to believe that government influence was not a factor in their organization. Employers and workers who were not able to adjust their difficulties were apt to find themselves parties to a hearing before a government board, either on complaint of dissatisfied employes or by the government if production was interfered with by strikes or other difficulties.

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1. U.S. Monthly Labor Review Vol. VIII, p. 769.

It is true that the fuel and iron companies had the example of the Colorado Fuel and Iron Company and the Minnequa Steel Works before them. The Colorado Fuel and Iron Company plan, however, made union contacts in 1917 and 1918 which <sup>later</sup> gave a larger degree of representation to the workers. The pressure from workers and the government <sup>1</sup> had its effect.

The Standard Oil Company of New Jersey introduced a plan in March, 1918. The Standard Oil Company in California, however, had been a party to the Santa Barbara agreement since 1917, which established local shop committees in eleven companies. This agreement was signed by workers, the companies, and a representative of the President's Mediation Commission.

Before the Bethlehem Steel Corporation could introduce its plan of employee representation in all of its plants, a controversy from Bethlehem, Pa., had been carried to the National War Labor Board. The board ordered a comprehensive system of shop committees. The present plan, in operation throughout the corporation plants, differs little from that installed at Bethlehem by the board.

Other plans were introduced by the Midvale Steel and Ordnance Company (now merged with Bethlehem), the Lukens Steel Company of Coatesville, Pa., the Youngstown and Sheet and Tube Company, <sup>and</sup> the Inland Steel Company of Indiana Harbor, Ind. (early in 1919), The Hydraulic Pressed Steel

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1. Van Kleeck, Mary, and Selekman, Ben F., Employee Representation in Coal Mines, Russell Sage Foundation, P. 238, 283, 358-40. The revised plan was introduced in 1921 after strikes and some government interference.

Company of Cleveland altered its plan to include a larger measure of collective dealing in 1918 and 1919.

One of the officials of the Lukens Steel Company, in a letter to the writer, speaks of the company's plan of employee representation "installed during the war at the request of President <sup>1</sup>Wilson." This company was not involved in any award of any government labor board. Officials, nevertheless, seemed to feel an obligation to adopt the policies of government agencies which were so strongly upheld by the President. This same degree of compulsion must have been felt by other companies. There could not help but be, also, the desire to be free from government interference. Employers took to heart the experiences of New England munitions manufacturers.

The Dennison Manufacturing Company, Framingham, Mass., extended the famous <sup>D</sup>Dennison plan to common labor in 1919. Henry S. Dennison, president of the company, was a member of the President's First Industrial Conference and an advocate of collective dealing. Before that year manual labor had shared none of the plan's <sup>2</sup>benefits.

The Nunn, Busch and Weldon Shoe Company of Milwaukee, another pioneer in shop union organization, also made its system more comprehensive at this time. The shop committees were given the power of decision in many questions affecting employees' welfare. Previously

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1. Letter from Vice-President and Works Manager, March 14, 1923.

2. Commons, John R.; Industrial Government, p. 58 ff.

they had been only investigating bodies.<sup>1</sup>

Certain employers who found themselves serving on the National War Labor Board extended its policies voluntarily to their own plants. Employee representation plans were adopted by the Westinghouse Electric and Manufacturing Company of Pittsburgh, Pa., and the Crocker-McElwain Paper Company of Holyoke, Mass. The presidents of both concerns served on the War Labor Board. William Pitt of the Irving-Pitt Manufacturing Company of Kansas City, Mo., was one of the most active of the Shipbuilding Labor Adjustment Board examiners and actively promoted the employee representation plan in his own company for some years. The plan has been considerably modified in respect to employee activity since it was organized.

The influence of the Department of Labor during the war and after in promoting the organization of shop unions cannot be overlooked. The Department of Labor early demanded that the government formulate a war labor policy and advocated the appointment of the National War Labor Board. The board's policy became the official policy of the department. Throughout the war conciliators of the Department of Labor were busy settling disputes in plants which did not bring their troubles to the War Labor Board. The Secretary of Labor, in his annual report for 1918, declared in regard to the Western Union Telegraph Company case that the decision was in accord with the

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1. Industrial Government, p. 125 ff.

policy held by the department for many years. He included the following comment:

"In the conciliation of disputes in the past, the Department of Labor found that the greatest barrier to agreement lies in the fact that, while the employing interest is frequently represented by a single person, the interests of employes are not organized and consequently they cannot so effectively bargain or be bargained for." 1

During 1918 and 1919 (for purposes of this discussion 1919 may be considered a war year, since war labor agencies were active then) shop unions were installed in the Commonwealth Edison Company of Chicago; the Taunton-New Bedford Copper Company, Taunton, Mass.; David Lupton's Sons' Company of Philadelphia; and the Stetson Hat Company, New York; and the International Harvester Company of Chicago, to mention only a few of the many organized during those years. Strikes occurred in these plants preceding organization, and conciliators from the Department of Labor were active in promoting settlements.

Non-union employee representation may be said to have become firmly established as an industrial relations policy in 1919. From that time on shop union organization was adopted by the exponents of the comparatively new science of personnel administration or employment management. Employers harassed by labor troubles during the war and in the period of expansion afterward, rushed to these new experts for a remedy to cure the disease. Professor Commons in his Industrial Government speaks of 1919 as the

year of the labor experts, when employers were willing to pay any price for suggestions which were guaranteed to settle labor difficulties.

Employee representation and shop committees became catch words in industrial relations and such plans were snatched at by all classes of employers as a means of pacifying belligerent workers. The installation of a system of employee representation was supposed to be a sovereign remedy and if workers objected or remained indifferent, as they frequently did, they were considered ungrateful or even bolshevistic. This point of view is expressed in many letters received by the writer from employers who were disillusioned as to results from their employee representation plans.

It is hard to see how this sudden wave of enthusiasm for new methods of handling labor could have occurred at this time without the war and government war labor policy. As the war advanced it became increasingly evident that the army was helpless without an efficient industrial organization behind it and the spotlight was turned on war labor. Employers were forced to deal with conditions which might have gone unrecognized and unremedied for years in time of peace. Labor, for so long relatively unimportant in production since supply seemed unlimited, became at once the predominant factor. Many employers turned their attention to labor as a factor in production for the first time with any degree of seriousness.

In the days when the world was being made safe for democracy, government propaganda for the increase of democracy in industry, borrowed to a certain extent from the British, was having its effect upon both employers and workers. The following extract is from the first annual report of the chairman of the employees' advisory council of the Elgin National Watch Company:

"Workers during the war demanded that the war should give them a more democratic organizations of industry both in England and America. ---

But as mankind is ever striving for greater efficiency and as that conflict (the war) demonstrated the greater efficiency of democratic institutions as compared to autocratic, it appears reasonably certain that ultimately the autocratic management of industrial affairs which obtained in the past will be superseded by a system through which the employees will have an increased influence in determining the mutual relations which shall exist between them and their employers.

Whether industrial democracy is to become an established institution depends upon whether or not the preponderating evidence of a vast number of experiments --- shall convince the unbiased judgment of mankind that that institution will better serve its needs than the conditions heretofore existing.

Continuing its liberalizing tendencies, within 30 days after the Armistice -- - by its own free will, unsolicited by its employees, the Elgin National Watch Company authorized the creation of this body, it had been elected, and its temporary organization effected.

It is at least a question whether or not this was not the first experiment instituted after the close of that great war, intended to institute a practical demonstration of the utility of the wide-spread suggestion of democratizing industry which had come as one of the results of that war."

Organized labor holds a somewhat more cynical view of the enthusiasm on the part of employers for employee representation, as is indicated by this comment from one of the editors of the Labor Age:

"After-the-war America has improved a bit on the German pattern (he had been writing of German paternalism) from the employers' viewpoint. It has understood that the Great War's promise of democracy must be kept, if it be in form only. The spectre of revolutionary radical movements in other parts of the world led it to anticipate the power-hunger and the freedom-hunger of the workers at home. The revolutionary shop councils which spring up in Europe at the close of the war have given it its cue: To assuage the workers' craving for organization with a plant body, under the thumb of the employers." 1

Heads of government labor boards and workers for those bodies were frequent contributors to the literature of industrial relations. Their opinions bore weight, because until most of the government boards were dissolved toward the latter part of 1919, there was always the possibility that they might intervene if a labor dispute became too violent, even though the government was no longer concerned with production in that plant. Such intervention occurred after the bituminous coal strike was called in the fall of 1919. Although the Fuel Administration had been discontinued in August, except for the nominal service of Dr. Garfield as head, it was recalled by President Wilson to take charge of government relations with the coal industry and war regulations were declared in effect again.

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1. Budenz, L.F., Introduction to Dunn, Company Unions, p. V.



Dr. Garfield, in the final report of the Fuel Administration, urged that employers and workers adopt new methods of handling industrial relations. The experience of the war, in his opinion, had changed the attitude of both employers and workers, who had cooperated cordially and effectively with the Fuel Administration during the war. It would be, he declared, "shortsighted in the extreme if we revert to the old attitude on the part of the government and industry and, resorting to hostile competition throw away the advantages of two years."<sup>1</sup>

The recommendations of the President's Mediation Commission, the action of the War Department in handling industrial relations during the war and afterwards with arsenal employes, the recommendations of the director-general of railways, all mentioned earlier in this study, continually referred to changes which they believed were highly desirable for industry. Their recommendations were given wide publicity and cannot help but have influenced the employers who were looking for new methods of employment management.

Great changes in industry were possible, government workers believed, if employers and workers could develop a common purpose, such as held them together during the need for war production. This was one of the conclusions of the Shipbuilding Labor Adjustment Board.

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1. Final Report of the U.S. Fuel Administration, p. 35.

"It is to be hoped that an equally serious emergency may not soon again confront the country, but the experience proves what a great reservoir of latent productive power may be unlocked when all of those participating in industry concentrate their undivided attention upon increasing production. It is this possibility of increased production between employers and employees that gives promise of success to plans for developing copartnership in industry which might otherwise seem visionary and impracticable. ---- The great task before the industrial statesmen of our time is to devise such a system of industrial relations that the average worker will be inspired to do his best from day to day by motives as compelling as was the motive of patriotism in stimulating ship production during the war." <sup>1</sup>

Some government workers were more extravagant in their statements. Mr. Stoddard, in his study of shop committees, declared that the shop committee, as originated in Great Britain and developed by the U.S. government during the war has in it "the germ of the hope of the future of industrial peace and the cooperative commonwealth." <sup>1</sup> The shop committee would take the place of older organizations of workers and employers. The question of shop committee versus trade union was of little importance, "for the reason that both the labor union and the employers' union are in progress of changing their functions and of adjusting themselves to the new form of joint union based on the principles of the shop committee." <sup>2</sup>

Industrial relations literature of 1918 and 1919 is full of predictions for a "new day" in industry, indicated by closer cooperation between employers and labor leaders during the war. This method was to be preferred to pre-war hostilities.

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1. The Shop Committee, p. 100. 2. Same p. 99.

## B. Reaction of Employers after

### Withdrawal of Government War Labor Boards

The final effect of the withdrawal of government war labor agencies from participation in determining and administering industrial relations, was a violent reaction on the part of employers and workers against "government interference." Both sides had made enormous concessions of policy in war labor adjustments, and they began to feel, after the war was over and a period of reconstruction began, that government boards were restricting their rights. The vast increase in trade union membership gave the unions a sense of power and lead them to believe that they could obtain better conditions through their own efforts. Employers in many cases had been forced to accept conditions contrary to all accustomed practises, either by appeals to their patriotism or by threats of taking over their plants, if they proved recalcitrant. Certain employers also felt that they had been ignored in making agreements. Shipyard owners, as mentioned earlier, were not parties to the agreements of the Shipbuilding Labor Adjustment Board.

When the chance came to get out from under burdensome restrictions, employers were quick to seize it. Strikes and an aggressive policy on the part of organized labor further alienated non-union employers while signs of deflation and economic depression made lower wages in their eyes a necessity. The government lent them support in this last consideration, through abrogation of war railroad conditions.

The employers' point of view for the years immediately following the war is presented in the National Industrial Conference Board report on works councils published in 1922:

"Most of the 'shop committees' established by the National War Labor Board and the Shipbuilding Labor Adjustment Board during the World War have ceased to function. The explanation of this lies in the fact that the committees were established in plants by order of an outside body and not through a desire on the part of employers and employees. Employers, as a rule, were opposed to this outside intervention and under such circumstances the life of the 'shop committee' could not be long.

"Another factor that militated against any likelihood of constructive work by these committees was that their establishment usually followed a dispute between employers and employees. Due to the fact that they were organized at a time when industrial relations were severely strained, the committees were usually composed of the radical element among the workers. With employers and employees suspicious and distrustful of each other, genuine co-operation was impossible, and, as a consequence, the committees were allowed to disintegrate." 1

Only thirteen companies are listed by the Conference Board in 1922 as having plans in operating that originated with government war labor agencies. <sup>2</sup> This number excludes the thirty coal companies in West Virginia operating under the Maryland agreement. The Conference Board contentions are borne out by letters from representative firms in which shop committees were installed by the National War Labor Board.

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1. Experience with Works Councils in the U.S. p. 4.

2. Same, appendix.

Bostwick-Lyon Bronze Co., Waynesboro, Pa. "We have never to our knowledge used this form of representation except so far as the government required it. What little we did have was very unsatisfactory and our employes themselves requested that we go back to our original way of handling complaints, i.e., to each individual personally." 1.

Standard Wheel Company, Terre Haute, Ind. "During the war a small group of our employes went on a strike and in view of the fact that we had government contracts, they appealed to the War Labor Board. After considerable delay and negotiating, the affair was finally adjusted and part of this adjustment included the establishment of a committee for the purpose of discussing wages. All this occurred shortly before the close of the war and I believe we had one or two meetings of the committee. Following the war we conducted affairs as best we saw fit and have had no further meetings as we felt this plan was thrust upon us at the time. We operate an open shop and our employes have no direct voice in the management." 2

Corn Products Refining Company. "Our employe representation plan was discontinued about three years ago and at the present time we are working on an Open Shop basis, employing no union help." 3

In the Jacob E. Decker packing plant, Mason City, Iowa, a shop committee was ordered in by the War Labor Board, which action the company considered as unionizing the plant. A company official wrote: "During the war the union was saddled upon us and we were at their mercy. All effort we tried to put forth to benefit our employes was unduly suspicioned or openly attacked." After the war a plan was offered but defeated by the union. A three months' strike in the plant in 1920, a year before the packing strike, defeated the union and since then there has been no  
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organization of any kind.

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1. Letter, April 25, 1922. 2. Letter, April 7, 1922.

3. Letter, December 29, 1921. 4. Letters, April 24 and May 2, 1922.

Worthington Pump and Machinery Corporation: "The committee which you mention was a war measure and was only created for an investigation of the wage question at a time when chaotic conditions prevailed."<sup>1</sup>

The Southern California Iron and Steel Company employees struck in 1917 and the controversy was turned over finally to the National War Labor Board by the Department of Labor.<sup>2</sup> The company name appears in lists of employee representation systems installed by the board but officials did not consider that any permanent change had been made in labor relations. An official wrote:

"We are purely an American shop, running as all American institutions should be run, every man for himself -- no labor unions, committees of employees or anything else in that line. Our experience in conducting business this way for the past twenty years has been most successful -- hence we advise all institutions to follow along the same line." <sup>3</sup>

Employees in the Reading Iron Company, Reading, Pa. prevented the installation of a shop committee plan after the war. Union members provided too much opposition. During the war, shop committees had been installed by the War Labor Board.<sup>4</sup>

Business depression, together with the increasing labor supply after demobilization and unemployment, played into the hands of employers who desired to go back to old methods. The Remington Arms Company, which had adopted the Bridgeport plan of the War Labor Board continued their plan until 1923, but expected to discontinue it, as soon as workers would be willing to work under old conditions. The threat of unemployment, one of the company officials said, would change the attitude of workers.<sup>5</sup>

1. Letter, April 6, 1922.

2. U.S. Monthly Labor Review, Vol. VIII, P. 584. 3. Letter, April 14, 1922. 4. Letter, May 13, 1922. 5. Letter, March 6, 1923.

C. Surviving Shop Unions, Originating  
by Action of the War Labor Boards

Few companies can be found at the present time which are willing to admit that the ancestor of their present form of employe representation was a shop committee installed by a government war labor board. If the 183 concerns which replied to a questionnaire sent out for this study, only three acknowledged the influence of the government during the war as being responsible for their shop organizations. In the latest report of the National Industrial Conference Board on employe representation only five concerns out of the 212 in existence in 1924 are credited with government-initiated plans.<sup>1</sup> (The Loyal Legion of Loggers and Lumbermen, composed of between two and three hundred lumber companies in the northwest and their workers is counted one system.) In the Conference Board list published in 1922 fifty-two concerns are credited with government-organized plans<sup>2</sup> and 80 out of the total number active in 1919.<sup>3</sup> In the 1924 list no distinguishing mark is given to concerns which in earlier reports were listed as having plans established by government agencies.

Nevertheless it is impossible to believe that shop unions would be in existence at present in many plants without the preliminary organization effected by the govern

1. The Growth of Works Councils in the U.S., P. 10 and Appendix.
2. Experience with Works Councils in the U.S., Appendix
3. Works Councils in the U.S. Appendix.

government during the war. Opposed as many of these employers were to any form of recognition of their workers, some outside force was necessary to bring about such radical changes in labor policy. Outside compulsion, however, is not a popular subject with employers as a class and it was expected that they would attempt to remove all traces of that period in their plants' history as soon as possible. Government-organized committees in many instances were not abandoned entirely, but reorganized under another name. Mr. Dunn, in regard to this practise, said that employers "reconditioned the war machinery to their own purposes."<sup>1</sup>

Workers' committees were first organized in the Phelps-Dodge Corporation, one of the largest copper mining companies in Arizona, and the Miami Copper Company in the same state by the President's Mediation Commission. Both companies now have shop unions in operation and Sam A. Lewisohn of the Miami company is one of the most persistent advocates of employe representation.

Shop unions in the packing plants -- Armour, Swift, Cudahy, and Wilson -- were introduced following the strike in 1921, called by workers at the expiration of the Alschuler agreement, which was made during the war at the instance of the President's Mediation Commission. Worker's committees, altho in no permanent form, were included in that agreement. The packers, at the expiration of the

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1. Company Unions, p. 7.



agreement, expressed their willingness to continue non-union collective bargaining through company associations, but with no recognition of the unions. When the strike was lost, company organizations were put in effect.

Shipbuilding was the outstanding war industry in the United States. Conditions in that industry were governed almost wholly by war conditions and the expansion and depression in the industry followed the demand for ships by the government. When the demand for ships ceased, yards were shut down or converted to other uses and shipbuilding labor scattered to other industries. Nevertheless some trace of Shipbuilding Labor Adjustment Board influence remained with the established companies in certain districts.

The committee system of handling industrial relations was retained by the Bethlehem Shipbuilding Corporation, the New York Shipbuilding Corporation, Camden, N.J., the Bath Iron Works, Ltd., Bath, Me., and the Lake Torpedo Boat Company of Bridgeport, Conn., with some others. The Bethlehem agreement with the metal trades, continuing shop committees has been referred to earlier. IN October, 1919, a group of Atlantic Coast shipbuilders established the Atlantic Coast Shipbuilding Industrial Board<sup>1</sup> and signed an agreement with the metal trades departments of the American Federation of Labor, which provided for labor adjustments in the plant through shop committees. The purpose of the board was declared to be "to provide uninterrupted employment, and to avoid cessation of employment with

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1. U.S. Monthly Labor Review, Vol. XI, p. 1103.

losses to the community as a result of strikes and labor controversies." This is one of the few examples of employer-union cooperation in continuing shop committees. In the San Francisco district following the termination of agreements with the unions made through the Shipbuilding Labor Adjustment Board, several employers refused to renew union agreements and instituted systems of employee representation. Among these were the Union Construction Company and the Standard Gas Engine Company of Oakland and the Moore Drydock Company of San Francisco. The Moore Drydock company later went back to individual dealing with its men, after a strike in the plant. The Morse Drydock Company of Brooklyn, N.Y., and Perth Amboy Drydock Company, Perth Amboy, N.J. established employee representation systems <sup>an</sup> independently of the Shipbuilding Labor Adjustment Board. <sup>1</sup>

The Loyal Legion of Loggers and Lumbermen, the employers-workers organization instituted by the War Department for the lumber industry in the northwest, is still in existence altho its number are said by trade unionists to be decreasing. Mention already has been made of the changes in industrial relations in the arsenals and the plan adopted at the close of the war.

The influence of the National War Labor Board is doubtless the most wide-spread at present, as it was during the war. Reference has been made to its participation in the organization of shop representation plans of the

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1. Letters from company officials in the writers' collection.

Bethlehem and the Midvale Steel Corporations, now merged. The Frick Company of Waynesboro, Pa., now has a well-established plan in operation, which was first organized under the Waynesboro decision of the National War Labor Board.<sup>1</sup> War Labor Boards plans have been retained by the Virginia Bridge and Iron Company, Roanoke, Va., and the Walworth Company of Boston, and with the introduction of modifications by the General Electric Company plants at Lynn and Taunton, Mass., and Schenectady, N.Y.<sup>2</sup>

The impetus to organization of the New York Telephone Company's plan was given by the action of the National War Labor Board. This was the pioneer company in its field to establish employee representation. At present many subsidiaries of the American Telephone and Telegraph Company handle industrial relations in this way.<sup>3</sup>

The Western Union Telegraph Company is equally indebted to the War Labor Board altho the Association Western Union employees was organized as a means of opposition to the board's ruling against discrimination in the case of union employees. Demands of employees and the government forced the company to substitute something for union membership, altho the substitute was never acceptable to the government.

Of the 66 munitions and allied plants in Bridgeport, Conn., which accepted the War Labor Board

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1. Docket No. 40.

2. Letters from Company Officials in writer's collection.

3. Burton, E.R., Employee Representation, p. 30.

shop committee system, only five had the plan in operation<sup>1</sup> in 1921, according to a survey published at that time.

The following firms which have now, or at one time had in operation some form of employe representation were involved in War Labor Board decisions, altho the awards in some cases did not provide specifically for the composition of committees: Willys-Overland Company, Eastman Kodak Company, Commonwealth Steel Company, St. Louis, Washburn-Crosby Company, Minneapolis, Minn., American Cash Register Company, Saginaw, Mich., and the Tennessee Copper Company.<sup>2</sup>

The somewhat radical changes, including collective bargaining and non-discrimination for union membership, introduced by the War Labor Board in certain company unions organized before the war have in most instances been retained as permanent policy. This is true of the Philadelphia Rapid Transit Company, the Brooklyn Rapid Transit Company, the Kansas City Street Railways, and the Printz-Biederman Company of Cleveland, altho there was no official action in the latter case. Printz-Biederman employes were involved to some extent in the strike of the Cleveland Garment workers in 1918. The case was brought before the board. Altho the company had no system of collective dealing in connection with its employes' organization, company officials insisted the workers were satisfied with conditions as they were. A system of collective bargaining was instituted to conform with labor board principles. This has been retained,

1. Shop Committees in Bridgeport, Special Supplement to Industrial Relations, Vol. VIII, no. 1 pp. 804-807, Meyer and Daniel Bloomfield. 2. See following page.

the company is "closed against the union." <sup>1</sup>

No changes of policy so drastic as those made in industrial relations by the National War Labor Board could help but leave a lasting effect upon industry, even considering the short period of the Board's existence. These changes, characterized bitterly by employers as unwarranted government interference when the period of after-the-war disillusion overtook them, persist, even though employers ignore the source.

The company-organized associations of railway employes go back directly to the war-time labor policy of the United States Railroad Administration. The Transportation Act of 1920 derived its labor provisions directly from government policy during the war. The adjustment boards were borrowed from the U.S. Railroad Administration system of labor adjustment and the Railroad Labor Board, with representatives of employers, workers, and the public, borrowed the structure of the National War Labor Board, altho applied to a single industry.

The act of 1920 made no changes in bargaining methods used by the railroads and their employes and the author of the act evidently assumed that negotiations would be carried on between the carriers and organized employes, since during the war all groups of railroad

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1. Printz-Biederman Company, Letter, February 10, 1922. Commons, Industrial Government, p. 57 ff.
  2. Note to preceding page. War Labor Board Docket Numbers for following companies: Willys-Overland, No. 95; Eastman Kodak, 677; Commonwealth Steel, 427; Minnesota Flour Mills, 482; American Cash Register, 147; Tennessee Copper Company, 1028.

employees strengthened their unions. Railroad unions apparently were regarded as the logical means of employee representation. Provision was made, however, for the representation of unorganized employees to appeal to the adjustment boards.<sup>1</sup>

Railroad operators, however, read a different meaning into the Transportation Act. The Pennsylvania Railroad led the way in organizing its employees into associations for collective dealing, independent of trade union affiliations. The provisions of the act calling for carriers and workers to agree upon wages, hours, and working conditions through conference, were held to mean only employees of the company, irrespective of trade union membership. There was to be no discrimination against trade union members, but no recognition of the unions. System Federation No. 90 of the Federated Shop Crafts employed by the Pennsylvania contested the road's decision in a case that went beyond the Railroad Labor Board to the federal courts, finally coming before the Supreme Court. In spite of Railroad Labor Board rulings the Pennsylvania refused to deal with any railroad workers not in the employ of the road. The board had no legal means of enforcing its decisions, as was the case with the National War Labor Board.

Following a nation-wide strike of the Federated Shop Crafts in 1922, a union group which had become of importance during the war, some thirty-two railroads announced

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1. Analysis of the Labor Provisions of the New Transportation Act. U.S. Monthly Labor Review, April 1920, p. 50, ff.

their intention of dealing only with their own employees in the shop craft, maintenance of way, and certain other groups of weakly organized employees, in the future. No attempt was made to extend this policy to the strong railroad union, including the four brotherhoods. Sixty-four roads now deal with certain groups of their employees through company associations. The carriers insist that if they meet their own employees, that is sufficient guarantee of collective bargaining. Recognition of the union and negotiation with union agents not in the employ of the carriers was not necessary.

No attempt will be made here to trace the changes in railroad labor policy since the organization of the shop unions in 1922. The important consideration for this study is that company organizations are in existence among railway employees, which originated in an adaptation of government war labor policy by employers. The history of these non-union railway employees' associations, their structure and function, and their relations with trade unions, would in itself be an interesting and valuable study in industrial relations.

Local determination of wages, hours, and working conditions is becoming an issue of increasing importance in the bituminous coal industry. Non-union workers' committees were introduced into the West Virginia, Maryland and neighboring non-union coal fields by the Fuel Administration and continued under the renewal of the Maryland

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1. This point of view is expressed in letters from railroad executives written at the time of the organization of employees in the writer's collection.

agreement through 1922, when thirty-seven coal companies had this form of workers' representation in operation. Since the Maryland agreement has expired, shop unions are appearing in the West Virginia field, organized by coal operators. Attempts are also being made to invade the central competitive field. Mention has already been made of a company union organized to escape paying wages granted by the Jacksonville scale. The Jacksonville scale moreover, was abandoned in the summer of 1928 and the United Mine Workers announced that hereafter district organizations will be allowed to negotiate wage agreements. Whether or not this will lead to negotiations by companies is a question of interest. It may mean the end of standard conditions for the coal industry, since the central competitive field has set the rates for the industry, union and non-union. Union operators, however, persistently contended that the non-union fields in West Virginia could undersell them and that the Jacksonville scale was ruining the industry.

The National Adjustment Commission during the war dealt with union labor primarily but in one interesting and important case its rulings led to the adoption of a system of joint representation for handling grievances after the war. The Seattle Waterfront Employers' Union was in existence long before the war, but only as an employers' organization, opposed to all trade union activity. During the war, when the National Adjustment Commission was created to deal with longshore labor problems, em-



employers and workers in Seattle were brought into conference for the first time. The commission was active in the settlement of disputes, except in Seattle and Tacoma, where agreements were made providing that only disputes employers and workers could not settle between themselves should be brought before the commission. Since the war, the Seattle Waterfront Employers' Union is a joint organization, composed of longshoremen, truckers, and <sup>1</sup> employers, with no recognition for trade unions.

### CONCLUSION

Although government influence has remained a potent factor in the development of the employe representation movement, that movement, in its present form, does not follow the government pattern. Employe representation at present connotes organization of employes in a company or companies under one management. There is, with few exceptions no "outside" influence or affiliation, meaning trade union officials, to come between the employer and his workers in the settlement of questions of mutual interest. Theoretically wages, hours, and working conditions, and all other matters affecting employes, are settled by negotiation between the employer and his workers indepdently. How far this obtains in practise should be a fruitful question for study.

Underlying the movement is the principle that all questions of industrial relations can be handled best by

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1. Chairman's Report, National Adjustment Commission, December 31, 1919, p. 2.

the individual plant, as opposed to the trade union assumption that the ideal means of settling wages, hours and working conditions is through a national agreement setting up standard conditions for the entire industry. In actual practise there are a few notable exceptions among shop unions in the United States. One is the glove industry, where workers and employers are organized into a sort of industrial council, with shop committees in the individual plants and a scale committee composed of employers and workers for the entire group.<sup>1</sup> There is no union recognition. The Smith and Kauffman Ribbon Mills of New York City and Paterson, N.J., which have an employe representation system,<sup>2</sup> have worked it out in cooperation with the union. There is also the Loyal Legion of Loggers and Lumbermen, already mentioned. As to the determination of wages for the individual plant, the Colorado Fuel and Iron Company frankly admits that wages in their plants follow the scale set by union negotiations in the central competitive field.<sup>3</sup>

Many employers and personnel administrators, however, who have been responsible for the adoption of shop organizations of employes, have isolated a few of the principles of government war labor boards. Such are the willingness of employers to meet with their "own men"; non-discrimination between union and non-union employes; and the adoption of shop committees as the machinery for workers dealings with the management.

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1. Letter, March 5, 1923.
  2. Letter, March 19, 1923.
  3. Van Kleeck and Selekman, 'Employe Representation in Coal Mines, p. 246 and p. 265.

The trend of government policy, however, was away from the individual settlement and toward the adoption of standardized conditions for the entire industries. Government participation in industrial relations was the result of decreasing production of war materials, brought about by strikes and other labor difficulties. The creation of government labor adjustment boards was a confession that employers and workers in certain industries, and those essential, were unable to settle affairs sufficiently to insure uninterrupted production. Employers at this point might contend that there would have been nothing to settle if it had not been for the agitation caused by the "outside influence" of labor agitation. The union was present, however, and could not be ignored in the stabilization of conditions.

Government labor policy, as it existed at the close of the war, had been built up piece by piece, as a result of meeting war emergencies as they arose. There was no preconceived program, ready to put in operation when the country entered a state of war. The first assumption of the government was that employers and workers could between them handle all questions of industrial relations, along the general lines laid down by the Council of National Defense.

The government entered the field of industrial relations, not to revolutionize the methods of handling labor disputes, but to obtain uninterrupted,

maximum production of goods essential for carrying on the war. With government labor policy in operation, all production records for industry were broken, altho industry was at no time free from strikes or from the necessity for the adjustment of labor disputes.

The government accomplished its object but only after it had become, in effect, the labor manager for all war industries. There were three outstanding considerations in this successful government policy:

1. Prohibition of strikes and lockouts.
2. Representation for workers in determining working conditions.
3. Adoption of standard practise.

There was also the pressure that a government all-powerful as the result of being at war could bring to bear on all classes of citizens.

It was obvious to everyone that maximum production was impossible as long as strikes occurred with the frequency that marked the opening months of the war. The government insisted upon settling difficulties through negotiation, promising to make settlements retroactive in cases where workers were demanding changes, with work proceeding through the period of negotiation. They demanded this as a patriotic duty on the part of both sides.

In the settlement of grievances through negotiation rather than strikes, workers, however, were to be considered. Before the creation of special labor adjustment agencies, representatives of organized labor had been appointed to the Council of National Defense.

With the exception of the President's Mediation Commission and certain industrial service sections of production departments of the War Department, war labor adjustment boards were created by joint agreement between representatives of employers as a class and workers as a class, or between a government department interested and representatives of labor. The mediation commission was organized at the suggestion of Samuel Gompers and had both employer and workers representatives. Employers were not represented on the Shipbuilding Labor Adjustment Board since no one man could be selected, it was believed, who would represent yard owners. Shipbuilders did not have sufficient organization for such a choice to be made. Trade union leaders were the logical representatives to choose for labor, since it was through the unions that workers were presenting demands for changed conditions. Employers generally refused any changes and workers retaliated by striking. Trouble arose in union centers or new centers established for war work where campaigns for unionization were in progress. The object of the labor boards was to bring workers and employers to the point of settling their own grievances.

The government could not do this, with many concerns mentioned earlier in this study, if the coming together savored to the employers of union recognition. Recognizing trade union leaders as speaking for their men, they would not confer with them, and the government boards

evolved workers' or shop committees, consisting only of workers employed in the plant. Employers got around the question of the original agreement, in which trade unionists participated, by saying that they and the union officials involved were negotiating with the government and not with each other.

The committees were, to the government boards which organized them, emergency measures which in reality served as trade union substitutes. They handled only grievances in the plant and had nothing to do with the basic conditions of wages, hours, and other working conditions, which were negotiated for an entire industry, as in shipbuilding, or for groups of plants, as frequently happened with the War Labor Board. Some decisions of the board applied to only one plant, but a decision was applied to as many plants as possible and the principles governing the awards were arrived at by agreement of the members of the board, who represented the public, employers, and workers, the latter representatives all trade unionists. Shop committees operating under the principles of the government war labor boards had little to do with settling the basic questions of wages, hours, and working conditions in the plant, through negotiation with the employer alone, according to the present theory of employee representation. Such procedure seemed to be as far as possible from the intention of the government adjustment agencies.

Employers and workers in many of the plants which came under the jurisdiction of government boards had no

voice in determining the principles under which wages, hours, and working conditions were adjusted for them, except through the employer members and trade unionists belonging to the group that formulated the original agreement. This was in many cases a remote connection. The object of employe representation at present is to provide a means for an employe and his employes to settle all questions involving workers' welfare without any "outside interference," meaning in most instances trade union participation. During the war a shop committee was no guarantee against "outside interference." Pressure of trade union demands, and even the presence of the government board itself, were two sources of "outside interference" which could not be ignored.

From the time the first workers' committee was established in the Arizona copper mines, the government swept aside the idea of the individual contract, binding and employe not to join a union, as well as the individual wage bargain between the worker and his employer. Government workers, referred to earlier, declared emphatically that in their opinion workers who were not represented as a group in dealing with an employer were at a disadvantage. Modern corporate organization of industry has put an end to any equality between a single worker and his employer, since the employer is, in many cases, a huge corporation with a hired management and widely diffused ownership through stock holdings.

The introduction of shop committees in non-union concerns was not a major plank in the government labor program. The functions of the shop committees were too

unimportant. They were merely an incidental piece of machinery valuable in interpreting the basic agreements, which governed the fundamental issues of wages, hours, and working conditions. The shop committee, moreover, was not considered complete in itself. This was the opinion of Mr. Macy, chairman of the Shipbuilding Labor Adjustment Board, probably influenced by British opinion:

"With properly organized shop committees, for the handling of plant questions, with agreement between well-organized employers' associations and national trade unions as to wages, hours, and conditions of employment -- an orderly method will be provided for the removal of much of the friction in industry."<sup>1</sup>

Standardization of working conditions became more and more the object of the government adjustment boards as the one means of promoting uninterrupted production. Inequalities in pay and working conditions between workers in the same plant and between plants prevented the industrial organization of the country from working smoothly. Nothing aroused more dissatisfaction among labor than unequal conditions, proved by the migration of labor to communities where high standards prevailed. All government boards seemed to be convinced that the most satisfactory and economical method, in the long run, of dealing with labor was through the institution of uniform wages, hours, and working conditions, as nearly as could be determined, for the entire industries. In the case of the 8-hour day, and other conditions including shop committees, the recommendation was extended to all the war industries. The chairman

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1. Macy, V. Everit, War Lessons in Labor Problems, National Civic Federation Review, Vol. IV, No. 2, pp. 122.



of the National Adjustment Commission was one of many to emphasize this conclusion in his annual report:

"The increasing number of local awards alone would have required some action in the interests of uniformity. ---

"The necessity for further steps in the direction of uniformity was enhanced by the fact that every local wage scale has its inevitable effect upon the scale in adjacent ports or districts, not only in the same but in every other industry. The adoption by other adjustment agencies of uniform wage scales covering large sections of the country increased the importance of uniform action with respect to longshore labor if the relative position of longshore labor as compared with other labor was to be preserved. " 1

Shop committees represented a standard method of handling grievances inside the plant, which were not of sufficient importance to come before an outside agency. Through these committees, it was assumed that workers were assured of a hearing for their complaints.

The government program approached far nearer the trade union theory of industrial relations than it did to the present system of industrial representation, for which it is to a great degree responsible. All government effort, it might be said, was bent toward insuring to workers uniform conditions throughout the industry which employed them, in the interest of securing uninterrupted production for the government. There was little difference between the government program and the trade unionist's ideal of the standard rate, the normal day, and the common rule, as defined by the Webbs. Individual determination of conditions, both within and without the plant, was ruled out.

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1. Chairman's Report, National Adjustment Commission, Dec. 31, 1918, p. 15.

Changes in industrial relations were to be expected as a result of the tremendously changed conditions in the country brought about by the World War. These changes, however, have run counter to government war labor policy and practise. Indirectly many members of government labor agencies expressed the hope that the closer relations between employers and organized workers which the war brought about would continue. Complete organization of industry on both sides, with negotiation rather than strikes as a means of determining working conditions, would be advantageous to all concerned.

But employers who had been opposed to trade unions before the war did not in any overwhelming numbers rush into union agreements when the war put an end to government participation in industrial relations. Many of them returned to the old system of individual dealing. A larger group adopted the government shop committee idea, using it as proof that they were in favor of collective bargaining but refusing to negotiate with any workers except those actually in their employ. Little attempt was made to adopt the industrial council idea, even without trade union recognition.

Trade unionists, reverting to strikes and violence soon after the Armistice in an effort to force recognition may have helped to bring this about. They also appeared to be eager to get away from the government compromise of non-union collective bargaining. The two sides were held together during the war by government labor boards and not through any innate conviction that improved methods

methods of negotiation were more effective for either worker or employer than the old system.

Workers, encouraged by the growth in union membership during the war and the increased recognition given through the appointment of representatives of organized labor to important official position, emerged from the war expecting more favorable, rather than less favorable conditions. They apparently did not foresee the effect of business readjustment and depression. Their first contact with employers, without any government board as a go-between, was bitterly disappointing. The government, rather than employers, was responsible for granting more favorable conditions in response to the workers' demands.<sup>1</sup>

Although the government shop committee fell into disrepute with employers and advocates of employee representation, it nevertheless formed the entering wedge for non-union collective agreements in a large number of plants. It also provided for employers opposed to union recognition an argument against such recognition. They maintain that it is more advantageous for both themselves and their workers to negotiate with representatives of their own men than with "outside" trade union officials who do not understand the peculiar conditions governing that particular plant.

Government shop committees, designed to handle the least important questions of industrial relations, have survived because of their appeal to the individualism of

1. For this point of view, see Gadsby, M.A., *The Steel Strike*, U.S. Monthly Labor Review, Dec. 1919, p. 79 ff.

the majority of employers in the United States. They approve of the new method as an advancement over dealing with each workman separately, or else they have been forced to approve this method in order to forestall union activity. But with all the huge combinations in industry, they cannot yet accept any further combinations of workers for handling labor relations.

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## APPENDIX

### Shop Unions in the United States, 1901-1923

The following list represents a careful check on all lists available in 1921-23, when material for this study was being collected. Letters, interviews with company officials, company publications, and other source material from these concerns furnished the background for this study.

- 1901 William A. Filene's Sons' Company, Boston.
- 1904 The American Rilling Mill Company, Middletown, Ohio.
- 1906 Hydraulic Pressed Steel Company, Cleveland, (dormant).
- 1910 Arco Company, Cleveland, (discontinued).
- 1911 Hart, Schaffner, and Marx, Chicago. (now sign agreements with the Amalgamated Clothing Workers of America.)  
Philadelphia Rapid Transit Company.
- 1913 Packard Piano Company, Fort Wayne, Ind.  
Dennison Manufacturing Company, Framingham, Mass.
- 1914 White Motor Company, Cleveland.  
General Chemical Company, New York City.  
Printz-Biederman Company, Cleveland.
- 1915 Colorado Fuel and Iron Company.  
Joseph and Feiss Company, Cleveland.  
Nunn, Busch, and Weldon Shoe Company, Milwaukee, Wis.  
Plimpton Press, Norwood, Mass.  
Hickey-Freeman Company, Rochester, N.Y. (party to Amalgamated agreements)
- 1916 Davis Coal and Coke Company, Hagerstown, Md. (later party to the Washington Agreement of the U.S. Fuel Administration.)  
H.E. Harris Engineering Corporation, Bridgeport, Conn. (later party to the National War Labor Board agreement.)
- 1917 American Shipbuilding Corporation, Cleveland. (Shipbuilding Labor Adjustment Board.)  
Sidney Blumenthal and Co., Inc., Shelton, Conn.  
Browning Company, Cleveland.  
Columbia Conserve Company, Indianapolis, Ind.  
Demuth Manufacturing Company, New York City.  
Morse Drydock and Repair Company, Brooklyn, N.Y.  
Northfield Company, Sheboygan, Mass.  
Irving-Pitt Manufacturing Company, Kansas City, Mo. (discontinued)  
War Dept., Loyal Legion of Loggers and Lumbermen

1918 Shop unions organized or influenced by the  
National War Labor Board

Bostwick-Lyon Bronze Company, Waynesboro, Pa. (disc.)  
 Bethlehem Steel Company.  
 Corn Products Refining Company. (disc.)  
 Jacob E. Decker and Sons Company, Mason City, Iowa. (disc.)  
 Frick Company, Waynesboro, Pa.  
 Fairbanks, Morse and Company, Beloit, Wisc. (no plan)  
 General Electric Company, Taunton, Mass.  
     Pittsfield, Mass. (disc.)  
     West Lynn, Mass.  
     Schenectady, N.Y.  
 Kansas City Street Railways Company, Kansas City, Mo.  
 Midvale Steel and Ordnance Company (now merged with  
     Bethlehem)  
 Maryland Metal Products Company, Hagerstown, Md. (disc.)  
 New York Central Iron Works. (disc.)  
 P.H. and F.M. Roots Company, Connersville, Ind. (disc.)  
 Reading Iron Company, Reading Pa., (disc.)  
 Standard Wheel Company, Terre Haute, Ind. (disc.)  
 Southern California Iron and Steel Company, Los Angeles,  
     (no plan)  
 Savage Arms Co., Utica, N.Y. (disc.)  
 Smith and Wesson Company, Springfield, Mass. (only while  
     War Department was in control of plant.)  
 Virginia Bridge and Iron Company, Roanoke, Va.  
 Worthington Pump and Machinery Corporation, Cudahy,  
     Wisc. (disc.)  
 Western Union Telegraph Company.  
 Brooklyn Rapid Transit Company.

Shipbuilding Labor Adjustment Board shop committees

Atlantic Corporation, Portsmouth, N.H. (disc. with war  
     shipbuilding)  
 Atlantic Works, East Boston, Mass.  
 Bath Iron Works, Bath, Me. (dormant following decrease in  
     shipbuilding- to be revived)  
 Bethlehem Shipbuilding Corporation  
 Cumberland Shipbuilding Corporation (for war work only)  
 Lake Torpedo Boat Company, Bridgeport, Conn.  
 New York Shipbuilding Corporation, Camden, N.J.  
 Portland Company, Portland, Me. (no plan at any time).  
 George F. Rodgers Company, Portland, Ore. (disc. with war  
     shipbuilding.)  
 Toledo Shipbuilding Corporation, Toledo, Ohio. (disc.)

Independently organized

Acme Wire Company, Acme, Ohio.  
 Dutchess Manufacturing Company, Poughkeepsie, N.Y.  
 Elgin National Watch Company, Elgin, Ill.  
 Emerson Electric Company, St. Louis, Mo. (disc.)  
 Hercules Powder Company, Wilmington, Del. (Disc.)  
 Leeds and Northrup Company, Philadelphia.  
 Lukens Steel Company, Coatesville, Pa. (disc.)  
 Perth Amboy Dry Dock Company, Perth Amboy, N.J.

Peet Brothers(Merged with Palm Olive Company) Kansas  
City, Mo.

Proctor and Gamble, Ivorydale, Ohio.

Rockland Finishing Company, West Haverstraw, N.Y.

Standard Oil Company of New Jersey, Bayonne, N.J.

Youngstown Sheet and Tube Company, Youngstown, Ohio.

### 1919 Independently organized

American LaFrance Fire Engine Company, Elmira, N.Y.

American Multigraph Company, Cleveland.

Boorum and Pease Company, New York.

Bloedel Donovan Lumber Mills, Bellingham, Wash.

Berkey and Gay Furniture Company, Grand Rapids, Mich.  
(Disc.)

S.F. Bowser and Co., Inc., Fort Wayne, Ind.

Chicago Bridge and Iron Works, Chicago.

Continental Mills, Inc., Philadelphia.

Craddock-Terry Company, Lynchburg, Va.

Crocker-McElwain Company, Holyoek, Mass.

A.M. Collins Manufacturing Company, Philadelphia.

Nathan D. Dodge Shoe Company, Newburyport, Mass. (disc.)

DuPont de Nemours and Company, Wilmington, Del.

Dorris Motor Car Company, St. Louis. (disc)

Dexter Folder Company, New York.

Dutchess Bleachery, Wappingers Falls, N.Y.

B. Edmund David, Inc.,

Erie City Iron Works, Erie, Pa. (disc.)

A.B. Farquhar Company, Ltd., York, Pa.

Fownes Gloves, Gloversville, N.Y.

Gates Rubber Company, Denver, Colo.

Graton and Knight Manufacturing Company, Worcester,  
Mass.

Goodyear Tire and Rubber Company, Akron, Ohio.

Kill Pump and Valve Company, Chicago.

Hooker Electro-chemical Company, Niagara Falls, N.Y.

Holt Manufacturing Company, Peoria, Ill. (Disc. )

Interborough Rapid Transit Company, New York.

International Harvester Company, Chicago.

Inland Steel Company, Indiana Harbor, Ind.

International Silver Company, Meriden, Conn.

Knox Hat Company, Brooklyn, N.Y.

David Lupton's Sons Company, Philadelphia.

Midwest Refining Company, Casper, Wyo. (merged with  
Standard Oil of Indiana.)

Mergenthaler Linotype Company, Brooklyn, N.Y.

Moore Dry Dock Company, San Francisco. (disc.)

New York Telephone Company, New York City.

Pullman Company, Chicago, Ill.

Penberthy Injector Company, Detroit, Mich.

Quaker City Rubber Company, Philadelphia.

Riverside and Dan River Cotton Mills, Danville, Va.

St. Albans Grain Company, St. Albans, Vt. (disc.)

Standard Oil Company of Indiana, Chicago.

John B. Stetson Company, Philadelphia.

Taylor-Wharton Iron and Steel Company, High Bridge, N.J.

Timken-Detroit Axle Company, Detroit, Mich.

Union Buffalo Mills, Union, S.C.

Westinghouse Electric and Manufacturing Company,  
East Pittsburgh, Pa.  
White Sewing Machine Company, Cleveland.  
Westinghouse Airbrake Company, Pittsburgh, Pa.  
Yale and Towne Manufacturing Company, Stamford, Conn.

National War Labor Board

Remington Arms Company, Inc., Bridgeport, Conn.  
Singer Manufacturing Company, "  
Walworth Manufacturing Company, Boston.

National Adjustment Commission

Waterfront Employers' Unions, Seattle, Wash.

1920 Independently established

Admiral Line, Seattle, Wash.  
Courier-Journal Printing Company, Louisville, Ky.  
Easton Furniture Company, Easton, Md.  
Hard Manufacturing Company, Easton Md.  
Hard Manufacturing Company, Buffalo, N.Y.  
Kimberly-Clark Company, Neenah, Wisc.  
National Cash Register Company, Dayton, Ohio.  
Neptune Meter Company, Long Island City, N.Y.  
Otterbein Press, Dayton, Ohio.  
Standard Gas Engine Company, Oakland, Calif.  
Sperry Gyroscope Company, Brooklyn, N.Y.  
Tweedy Silk Mills, Danbury, Conn.  
U.S. Rubber Company, N.Y.

1921 American Lead Pipe Company, Birmingham, Ala.  
American Woolen Company, Boston. (no plan.)  
Thos. E. Brown and Sons, Philadelphia.  
Commonwealth Edison Company, Chicago.  
Commonwealth Steel Company, St. Louis.  
Day and Zimmerman, Inc., Philadelphia.  
Eastman Kodak Company, Rochester, N.Y. (in one plant)  
Gorton-Pew Fisheries, (disc.)  
Globe Wernicke Company, Cincinnati.  
Hardwick and Magee Company, Philadelphia.  
McCallum Hosiery Company, Northampton, Mass. (disc.)  
W.H. McElwain and Company, Manchester, N.H.  
Peoples Gas Light and Coke Company, Chicago.  
Smith and Kauffman Company, New York and Paterson, N.J.  
United States Postoffice Department

President's Mediation Commission

Phelps Dodge Corporation\* (Arizona copper mines).  
Armour and Company.  
Cudahy and Company.  
Swift and Company.  
Wilson and Company.

U.S. Railroad Administration

Pennsylvania Railroad.



1922 Independently organized

Borden's Farm Products Company, New York.  
 Forbes Lithograph Company, Boston.  
 Macullar Parker Company, Boston. (Benefit association  
 formed upon discontinuing agreements with Amalgamated Clothing Workers.)  
 Pacific Coast Coal Company.

Railroads -- U.S. Railroad Administration influence

Alabama and Vicksburg  
 Atchison Topeka and Santa Fe  
 Atlantic Coast Line  
 Central of Georgia  
 Charleston and Western Carolina  
 Chicago and Alton  
 Chicago, Burlington, and Quincy  
 Colorado and Southern  
 El Paso and Southwestern  
 Florida East Coast  
 Fort Worth and Denver  
 Great Northern  
 Gulf Coast Lines and Houston Belt and Terminal  
 Gulf, Mobile, and Northern  
 Illinois Central  
 International and Great Northern  
 Kansas City Southern  
 Kansas, Oklahoma and Gulf  
 Louisville and Nashville  
 Lehigh Valley  
 Nashville, Chattanooga, and St. Louis  
 New York, New Haven, and Hartford  
 Missouri, Kansas, and Texas  
 St. Louis San Francisco  
 Southern Pacific (Atlantic and Pacific systems)  
 Tennessee Central  
 Trinity and Brazos Valley  
 Union Pacific  
 Wabash

The railroads listed formed shop organizations for their "shop craft" employees and certain others following the strike in 1922. This list was published by the Association of Western Railways in November, 1922. At present many more railways have formed employees organizations. The National Industrial Conference Board in its 1925 report on Works Councils lists sixteen railroads and 86 manufacturers of railroad equipment.

1923 -- Sheffield Farms Company, New York.